

ROANOKE CITY COUNCIL

September 6, 2005

9:00 a.m.

The Council of the City of Roanoke met in regular session on Tuesday, September 6, 2005, at 9:00 a.m., in the Emergency Operations Center Conference Room, Room 159, Noel C. Taylor Municipal Building, 215 Church Avenue, S. W., City of Roanoke, with Mayor C. Nelson Harris presiding, pursuant to Chapter 2, Administration, Article II, City Council, Section 2-15, Rules of Procedure, Rule 1, Regular Meetings, Code of the City of Roanoke (1979), as amended, and pursuant to Resolution No. 37109-070505 adopted by the Council on Tuesday, July 5, 2005.

PRESENT: Council Members Beverly T. Fitzpatrick, Jr., Sherman P. Lea (arrived late), Brenda L. McDaniel, Brian J. Wishneff, M. Rupert Cutler, Alfred T. Dowe, Jr. (arrived late), and Mayor C. Nelson Harris-----7.

ABSENT: None-----0.

The Mayor declared the existence of a quorum.

OFFICERS PRESENT: Darlene L. Burcham, City Manager; William M. Hackworth, City Attorney; Jesse A. Hall, Director of Finance; and Mary F. Parker, City Clerk.

COMMITTEES-CITY COUNCIL: A communication from Mayor C. Nelson Harris requesting that Council convene in a Closed Meeting to discuss vacancies on certain authorities, boards, commissions and committees appointed by Council, and to interview an applicant for a vacancy on the Industrial Development Authority, pursuant to §2.2-3711 (A)(1), Code of Virginia (1950), as amended, was before the body.

Vice-Mayor Fitzpatrick moved that Council concur in the request to convene in Closed Meeting as above described. The motion was seconded by Council Member McDaniel and adopted by the following vote:

AYES: Council Members Fitzpatrick, McDaniel, Wishneff, Cutler and Mayor Harris-----5.

NAYS: None-----0.

(Council Members Lea and Dowe were not present when the vote was recorded.)

CITY COUNCIL: A communication from Vice-Mayor Beverly T. Fitzpatrick, Jr., requesting that Council convene in a Closed Meeting for consultation with legal counsel on a matter of actual litigation, where such consultation in open meeting would adversely affect the litigating posture of Council, pursuant to Section 2.2-3711 (A)(7), Code of Virginia (1950), as amended, was before the body.

Council Member McDaniel moved that Council concur in the request to convene in Closed Meeting as above described. The motion was seconded by Council Member Cutler and adopted by the following vote:

AYES: Council Members Fitzpatrick, McDaniel, Wishneff, Cutler and Mayor Harris-----5.

NAYS: None-----0.

(Council Members Lea and Dowe were not present when the vote was recorded.)

CITY COUNCIL: A communication from the City Manager requesting that Council convene in a Closed Meeting to discuss disposition of publicly-owned property, where discussion in open meeting would adversely affect the bargaining position or negotiating strategy of the public body, pursuant to §2.2-3711 (A)(3), Code of Virginia (1950), as amended, was before the body.

Vice-Mayor Fitzpatrick moved that Council concur in the request to convene in Closed Meeting as above described. The motion was seconded by Council Member Cutler and adopted by the following vote:

AYES: Council Members Fitzpatrick, McDaniel, Wishneff, Cutler and Mayor Harris-----5.

NAYS: None-----0.

(Council Members Lea and Dowe were not present when the vote was recorded.)

CITY COUNCIL: A communication from the City Manager requesting that Council convene in a Closed Meeting to discuss acquisition of real property for public purpose, where discussion in open meeting would adversely affect the bargaining position or negotiating strategy of the public body, pursuant to §2.2-3711 (A)(3), Code of Virginia (1950), as amended, was before the body.

Council Member Cutler moved that Council concur in the request to convene in Closed Meeting as above described. The motion was seconded by Council Member McDaniel and adopted by the following vote:

AYES: Council Members Fitzpatrick, McDaniel, Wishneff, Cutler and Mayor Harris-----5.

NAYS: None-----0.

(Council Members Lea and Dowe were not present when the vote was recorded.)

(Council Member Dowe entered the meeting.)

CITY COUNCIL: A communication from the City Manager requesting that Council convene in a Closed Meeting to discuss disposition of publicly-owned property, where discussion in open meeting would adversely affect the bargaining position or negotiating strategy of the public body, pursuant to §2.2-3711 (A)(3), Code of Virginia (1950), as amended, was before the body.

Vice-Mayor Fitzpatrick moved that Council concur in the request to convene in Closed Meeting as above described. The motion was seconded by Council Member McDaniel and adopted by the following vote:

AYES: Council Members Fitzpatrick, McDaniel, Wishneff, Cutler, Dowe and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Lea was not present when the vote was recorded.)

ITEMS LISTED ON THE 2:00 P. M. COUNCIL DOCKET REQUIRING DISCUSSION/CLARIFICATION, AND ADDITIONS/DELETIONS TO THE 2:00 P. M. AGENDA: NONE.

TOPICS FOR DISCUSSION BY THE MAYOR AND MEMBERS OF COUNCIL:

VICTORY STADIUM-CITY MARKET: Mayor Harris called attention to a proposed addition to the contract with Heery International with regard to performing feasibility study for Victory Stadium. He stated that the addition to the contract would not delay completion of the consultants report.

Vice-Mayor Fitzpatrick stated he, along with Council Member Wishneff, served on the Victory Stadium Selection Committee, the matter was discussed and it was agreed that the feasibility study would be beneficial to the Council in making an ultimate decision regarding Victory Stadium.

Upon question as to action, if any, that should be taken by the Council to initiate the feasibility study, the City Attorney advised that a motion of direction to the City Manager would be appropriate inasmuch as the City Manager has the authority to amend the consultant's contract through a change order. He stated that it would also be necessary to ensure that funds are appropriated.

The City Manager stated that the Heery International contract was funded from the original capital account and the additional \$34,000.00 would be taken from the same account.

Vice-Mayor Fitzpatrick moved that the City Manager be instructed to amend the contract with Heery International to provide for a market feasibility study as a part of the ongoing study of Victory Stadium. The motion was seconded by Council Member Cutler and adopted, Council Member Lea was not present when the vote was recorded.

COUNCIL-HOUSING/AUTHORITY: Mayor Harris called attention to a joint meeting of Council and the Board of Commissions of the Roanoke Redevelopment and Housing Authority to be held on Monday, October 3, 2005, and requested that Council Members provide the City Clerk with proposed agenda items.

BRIEFINGS:

LEGISLATION: Thomas A. Dick, Legislative Liaison, presented the following briefing:

2005 General Assembly:

- Mass Transit Taxation—An annual savings of approximately \$50,000.00 was realized for the bus system
- Health Department funding appropriation of \$187,000.00 enabled the department to move into a new facility

- A Constitutional amendment was passed through two sessions of the General Assembly which will allow a locality to provide tax relief for new construction in conservation and redevelopment areas
- The car tax had no funds appropriated to address the problems encountered by spring billers, however, some language was included that will help localities

2006 General Assembly:

Budget Proposals–The Governor will consider amendments to the existing current year budget and propose his out-going budget for 2006 and 2008

- Allocation of surplus
- Identified Needs

Budget Surplus–FY 2005 Revenue Surplus of \$544 million is tied up in a number of items, i.e.: a Constitutional requirement for about \$402 million for the Revenue Stabilization Fund (bringing the Rainy Day Fund within the \$1.1 billion maximum amount); \$56 million in upgrades to Waste Water Treatment Facilities impacting the Chesapeake Bay; \$9 million to public schools for SOQ's; \$26 million to the Transportation Trust Fund (reimbursement of funds previously used elsewhere); and \$25 million to offset BRAC Impact (Military base realignment and closure process)

FY 2006–08 Budget Needs:

- \$1.2 billion for re-benchmarking of SOQ's without any consideration of additional monies for new standards of the State Board of Education Institute
- \$500 million for Medicaid, assuming there will be no Federal budget cuts or other policy changes
- \$415 million for the car tax; there is a need for additional money because of timing when the funds are remitted to localities and when the budget cycle actually occurs–the car tax cap will be \$950 million in the State budget which is not additional money

- \$250 million for increased capital project costs that include projects currently under way at the State level, due, in part, to increased costs for steel and concrete

Council Member Cutler inquired if the car tax issue was resolved to the point that the City will be held harmless; whereupon, Mr. Dick stated that the issue was not resolved, the Governor's office indicated a need for additional money, \$270 million would be required to hold harmless all spring billers, and at this point funds are not proposed. He stated that the VML liaison, advises that no new money will be provided, therefore, the \$415 million will raise the car tax relief to the \$950 million cap, and the impact to the City of Roanoke would be approximately \$7 million a year.

The Director of Finance stated that there would be an impact on the City's cash flow, the City accrues funds in the succeeding year, and the City would lose a small amount of interest earnings had it received the reimbursement from the State two or three months earlier, and not the \$7 million above referenced. He further stated that the City stands to lose a small amount of funds due to reimbursement for delinquent taxes, and in the near future Council will receive a briefing on the various changes to the process by the City Treasurer and the Director of Finance.

FY 2006-08 Budget Needs:

- \$200 million for increased VRS retirement system costs due to higher cost for health insurance and contribution rates
- \$125 million for debt service for bonds that have already been authorized, but have not been issued
- \$90 million for two new prisons and two expanded prisons (no mention was made for additional money for higher education, but usually \$200 million is earmarked)

Mr. Dick called attention to several informative links on the Virginia Municipal League website that provide detailed explanations and analysis of the impact of the real estate tax and its importance to localities, and Council Member Cutler wrote a good op-ed piece explaining that 25 per cent of local revenue in the City of Roanoke is derived from the real estate tax. He noted

that numerous things depend on which candidate is elected Governor; Senator Russell Potts has not embraced either proposal, the General Assembly would have to embrace a proposal, the Senate would be less likely to go along with the kinds of approaches that were taken in the past, Attorney General Jerry Kilgore has mentioned enactment of a five per cent cap on assessment increases, and the impact of a one per cent reduction in the assessment according to fiscal analytics amounts to an \$80 million state-wide impact in the next two years, beginning in 2009. He added that Lieutenant Governor Tim Kaine has talked about a local option of a 20 per cent exemption from the assessed value, which will amount to about \$1 billion; redistribution of the tax burden between various citizens depending on the length of time they have resided at their current residence and improvements made is extensive; anytime the ability of a locality to raise revenue is affected could have a potential impact on the locality's bond rating; and if government curtails a locality with regard to what it can do in terms of local revenue, a greater dependence on State funding is created.

Taxation:

Real Estate Tax Proposals

Kilgore	-	5 per cent cap
Kaine	-	20 per cent exemption, local option

Proposal Impacts

Inequities

Redistribution of Tax Burden

Bond Rating Impact

Greater Dependence on State Funding

Distorts Economic Development

- Real Estate – With regard to economic development, if property taxes are less of a revenue, evidence suggests that retail projects generating sales tax would be the avenue for economic development. Fiscal Analytics, a consulting firm, suggested a refundable income tax credit that would require the burden to go back on the State and not the local client.

Vice-Mayor Fitzpatrick inquired if the VML, VACo and Virginia First Cities Coalition plan to take that position; whereupon, Mr. Dick stated that the matter would be discussed at length, a briefing would be held in the near future on some of the issues, the Legislative Committee of the VML would discuss the matter at its upcoming meeting, and, in the past, the VML has not advocated for these types of tax relief.

Telecommunication Taxes

Telecommunications Tax Restructuring
5 per cent Communications Sales Tax
Tax Department Collection and Distribution
Revenue Neutral

- There are 250 different localities that have different tax rates which have been burdensome for some industries to administer; for the past several years, there has been an effort to simplify the tax process; a bill was introduced last year that was endorsed by several industries and local government which suggested a five per cent communications and sales tax; however, the cable television industry, which is not affected by the tax did not take a position, therefore, the legislation did not advance. In addition, the tax would have required the State Tax Department to collect and distribute revenue; the goal of local government is to ensure that it is revenue neutral; revenues collected from land lines under the current tax structure are diminishing because of the use of cell phones, and Fairfax lost about \$2 million in revenue due to the reduction in land lines over the past few years.

Machinery and Tool Tax

Manufacturing Needs Study
Tax Burden/Simplification
Variations in Assessment and Administration

- A study was conducted during the last two years regarding ways in which to assist manufacturing in Virginia; an exodus of jobs in the manufacturing industry in the United States has caused concern and some persons have stated that the cost of labor is an issue; to some extent the focus has been the tax burden and ways to simplify the tax burden and the State may intervene in an effort to standardize the matter between all localities; there may be efforts to tweak the language as problems occur and local governments were not encouraged by any evidence that the administration might move toward providing an appropriation to address lost interest income, or any other losses to localities.

Transportation Funding:

Senate Study (START)

House Study (Public-Private Partnerships, Allocation Formula)

Baliles Proposal (Tolls)

The Senate created the Transportation Analysis and Recommendations Task Force (START), which is a 25 member board consisting of state-wide legislators and citizens, to study and address transportation needs of the State; the Senate's posture on the issue has been that revenue needs would have to be addressed with revenue from non-general fund sources (which historically has been from the gasoline tax rather than general fund money) that would compete against education and several other core services. The House Transportation Committee has appointed a subcommittee to study the matter and has expressed an interest in public/private partnerships, briefings have been provided by the Joint Legislative Audit Revenue Commission (JLARC) regarding studies on allocation formulas for funding highways, and JLARC has suggested that localities tweak the formula to address various concerns. The House would be more inclined to take money from the general fund or any surplus and move funds toward transportation issues. Former Governor Gerald Baliles proposed imposing tolls on the interstate highway system, which would require Congressional approval; however, legislators may want to review any progress at the Federal level before addressing the matter at the State level.

Vice-Mayor Fitzpatrick, Chair, Legislative Committee, advised that former Governor Baliles's proposal was quite unique in that it would affect every interstate, and has clearly delineated I-81 as one of the major issues facing the Commonwealth of Virginia; and his proposed level of tolls is far less than some of the Star Solutions proposals. He stated that the City of Roanoke, which is dependant upon transportation synergy, should consider the advantages of joining other colleagues to take a stand on the matter because it is a significant issue facing the Commonwealth – for instance, if I-81 continues to be blocked once or twice every two weeks, jobs will be affected with inbound and outbound inventory. He added that the City of Roanoke will look to its legislative liaison for insight and guidance to address the matter at the 2006 Session of the General Assembly.

Eminent Domain:

Kelo v. City of New London, Connecticut
State's Rights Decision
Constitutional Amendment Proposed
Legislation to "Strengthen" Existing Law

The Supreme Court's decision in Kelo v. City of New London, Connecticut, would allow the exercise of eminent domain in a very broad definition as it relates to economic development; the response nation wide reflected that it was an unfavorable decision and that the states would protect property rights. Virginia First Cities issued a briefing paper on the matter which pointed out that the Supreme Court advises that it is up to the states to determine what they would want to do because it is a state's rights decision and is not preemptive. Some legislators have suggested that a Constitutional Amendment is needed to address the issue, further legislation would be needed to strengthen existing law, there may be additional language to redefine "public use", and it is believed that legislators will ensure that there is enough balance to protect what localities are currently doing and afford opportunities for discussion. The Virginia First Cities Coalition reviewed recent state wide activities of Virginia Housing Authorities and found that 400 properties were acquired to provide for better utilized, of the 400 properties, 19 were acquired by condemnation, of the 19 properties, five were contested and there was not a clear title to the property, therefore, the number 14 instances reflects that it has not been a big issue. Mr. Dick stated his perspective is that acquisitions were more angled toward the Virginia Department of Transportation for highway projects, as well as electric utility transmission lines or gas lines, and more contentious acquisitions would involve other areas of local government.

Cable Television Franchises:

Verizon Providing Cable Television
2005 Legislation
Competition
Continuation of Services and Revenues

Mr. Dowe advised that the number one issue for Verizon (a telephone company) is that Verizon also wishes to provide cable television; legislation was introduced in the short session of the General Assembly in early 2005 and was strongly contested by cable television providers; localities would welcome the

competition in order to lower cable costs, but have found that franchise entities such as fuel companies are in opposition, current law would require Verizon to have the same franchise, and cable television providers would bring a lawsuit against any locality that tried to negotiate a deal with Verizon. He noted that Verizon's point of view is that when cable companies provided telephone service, they were not required to provide the service everywhere, and if cable television service is to be provided, it would not be economical to provide cable service everywhere; and the interest from a local government's perspective is to ensure that whatever happens will be a continuation of services, and that local access to channels and revenue streams will not be adversely impacted. He noted that Verizon is trying to address the problem at the Federal level and across many states.

Dangerous Dogs:

Response to March 8 attack

Proposed Legislation:

- Apply definition of manslaughter

- Require statewide control

- Create Virginia dangerous dogs register

- Impact Animal Control Officers

An 82 year old woman and her dog were attacked and killed by a pit bull, and legislators from Fredricksburg and Spotsylvania raised issues before the Crime Commission with regard to strengthening the law. Legislation may be introduced to apply the definition of manslaughter in an instance where an individual had a known dangerous dog that had attacked and killed a person, greater statewide involvement would be required, along with creation of a dangerous dog register, and additional animal control officers.

The City Manager stated that the City should encourage legislation that would apply to adults who allow juveniles to have access to weapons. She stated that in discussing the matter with the Chief of Police, she was advised that nothing can be done to a parent who knowingly keeps a weapon in an area where a child could have access and then commit a crime, therefore, it would appear that the parent should be held liable for the actions of the child in the same way that a dog owner would be held liable for the actions of the dog.

Towing and Recovery Industry:

- Legislative Study
- Regulation of Towing Companies
- Prevent and Eliminate Price Gouging
- Require Local Advisory Boards
- Impacts Reimbursement

The issue was studied in the past year due to concerns regarding price gouging because towing employees could issue a \$100.00 towing bill; in addition, when the owner claimed their vehicle, there would also be a storage cost; and, if hazardous material was found inside the vehicle, a \$700.00 – \$1000.00 fee could be imposed prior to claiming the vehicle. Some northern Virginia towers towed vehicles into Washington, D. C., which meant that the owners had to travel out of state to retrieve their vehicle. To address the problem, one proposal requires the towing company to store the vehicle in state and to make the vehicle available for retrieval one hour after towing; establishment of an advisory board is under consideration; five bills were previously introduced and a comprehensive bill may be introduced in the 2006 Session of the General Assembly to address the various issues.

Family Courts System:

- Juvenile & Domestic Relations Courts to become Family Courts
- Court System to be operating in 2007
- Fiscal Impact of Court Facilities

The Juvenile and Domestic Relations Courts will become Family Courts in 2007; however, no funds have been appropriated to date, and there is some concern from a local government perspective with regard to costs that could be incurred.

Mr. Dick stated that there were a number of other issues to be addressed, but in the interest of time, his presentation dealt with local issues; and at the September 8, 2005, meeting of the VML, the situation in New Orleans as a result of hurricane Katrina and the response by the Federal Emergency Management Association (FEMA) will be discussed and most likely there will be an effort in Virginia to ensure that the same situation does not occur in the Commonwealth of Virginia.

Council Member Wishneff referred to a newspaper article regarding geothermal energy and the movement of water through water lines that could be used to generate power, and inquired about how the City of Roanoke could address the matter. Council Member Cutler stated that it would require placing turbines within water lines.

Vice-Mayor Fitzpatrick expressed appreciation to Mr. Dick for his work in representing the City of Roanoke at the General Assembly level.

Council Member Cutler stated that he represented the City of Roanoke at a Water Security Workshop for elected officials in Chicago, Illinois, where presentations were made on the following: the 2003 northeastern blackout in which 500,000 citizens were without electricity for two days; the Wisconsin water supply system bacterial outbreak that caused the deaths of about 50 people and necessitated the cleaning of the entire water supply system; and the explosion of the Oklahoma City Federal Building, all of which were examples of potential emergencies that localities should be prepared to address. He stated that he had previously requested the City Manager to brief the Council on the degree to which the City of Roanoke and its neighboring jurisdictions are prepared to handle such emergencies; whereupon, he asked the City Manager to comment on the matter.

The City Manager advised that a briefing is tentatively scheduled for the Council's November meeting schedule, she stated that Room 159 in the Municipal Building has been designated as the Emergency Operations Center.

Council Member Cutler inquired whether it would be advantageous to invite representatives from surrounding jurisdictions, to attend the briefing in anticipation of a regional plan of assistance. The City Manager called attention to regular meetings of the Roanoke Valley's Emergency Coordinators, and advised that several Emergency Coordinators have discussed ways that the Roanoke Valley as a region could either provide resources, or serve as a receiving point for refugees from those areas that were impacted by Hurricane Katrina. In response to the question of whether representatives of other localities should be participants in the proposed briefing, she asked that Council discuss the matter in further detail prior to the presentation.

Council Member Wishneff spoke in support of instructing the City Manager to conduct a comprehensive and independent study of the City's emergency response operations; i.e.: fire, emergency medical services, police and water safety.

The City Attorney advised that his office has solicited and compiled suggestions offered by City staff with regard to legislation that the Council might wish to propose at the 2006 Session of the General Assembly which will help the City perform various local functions. He requested that Members of Council submit their proposals as soon as possible and prior to preparation of the City's 2006 Legislative Program.

On behalf of the Council and City staff, the Mayor expressed appreciation to Mr. Dick for his presentation.

Day Avenue Project Briefing:

The City Manager called attention to a previous discussion with the Members of Council with regard to funding for the purchase of 17 private properties located in the 400 block of Day Avenue, S. W.; whereupon, she called upon Earl B. Reynolds, Jr., Deputy Director, Roanoke Redevelopment and Housing Authority, for the following presentation with regard to the "Day on the Hill" project:

"In January of this year, Mr. Dana Walker, representing Christian Housing Fellowship (CHF), took several members of the RRHA management team on a tour of the properties in the 400 block of Day Avenue. We learned that CHF owned 17 of the 20 structures that make up the 400 block of Day Avenue and that the 17 structures contained 70 low-income rental units. Mr. Walker expressed the desire that the RRHA take ownership of the properties. Our Executive Director, John Baker, after having discussion with the City Manager, conveyed to Mr. Walker our desire to assume ownership of the properties for the express purpose to:

1. Create a unique living environment by converting the 17 structures back to single family use;

2. Foster additional middle-to-upper income home ownership opportunities within the City; and
3. Preserve and restore the historic character of the 17 structures.

On May 16, 2005, Mr. Walker signed a letter of agreement to convey the properties to the RRHA for the amount owed on the existing mortgage, \$344,900.00. On September 1, 2005, the property was transferred to the RRHA. We acknowledge appreciation to First Citizens Bank for providing the mortgage financing to the RRHA under a 90-day, interest only note.

Anticipating that the acquisition of the properties would occur, a project planning team was put together several months ago to begin the process of figuring out how to tackle this unprecedented task. The team consists of:

1. City of Roanoke, Brian Townsend (City Incentives)
2. RRHA (Owner/Developer)
3. FNB Salem Bank and Trust, Greg Feldmann and Steve Lyons
4. MKB Realtors, Kit Hale (Sales and Marketing)
5. Breakell Construction, Stan Breakell Construction (Construction)
6. Hill Studio, PC, Don Harwood and Alison Blanton (Design, Preservation Compliance)

After numerous meetings and the development of a number of different financing scenarios, we believe (at this time), that for the project to be completed without additional public subsidy, a price point of no more than \$265,000.00 per completed structure must be maintained. This pricing is contingent upon the following:

1. Maintain a project schedule of no more than 18 months in order to limit interest financing;
2. Obtain approvals from the Virginia Department of Historic Resources (DHR) for interior demolition to accommodate modern conveniences and convince them to award Historic Tax Credits for the entire project as opposed to requiring house-by-house approvals (meeting scheduled for September 15 in Richmond);

3. Convince the Virginia Housing Development Authority (VHDA) to offer a special program to provide low interest permanent financing to home buyers with incomes up to 150% of median or higher (meeting scheduled for September 12 in Roanoke); and
4. Undertake significant public improvements including, underground electrical, period street lighting, sidewalk reconstruction, and alley cleanup and paving.

Assuming that we can get DHR approval as noted in sub-item 2 above, we plan to move forward with the reconstruction of 433 Day Avenue as a "test" house to verify costs and give the project visibility. Our goal is to complete or substantially complete the house by the second week in December so that it can be made a part of the Old Southwest Parlor Tour. Don Harwood has spoken with the President of Old Southwest who confirmed that the structure could be included on the tour if it is ready. We will also be seeking to get several local interior designers to dress a room in the house so that potential home buyers can actually see what a finished and furnished Day On The Hill home might look like. In January 2006 our plan is to begin the reconstruction of the houses in groups of three to create "critical mass" and take advantage of the savings that can be gained by having several projects going in close proximity to one another. By starting a new group of "three" every 90 days, it is our hope to be substantially completed with all 17 structures within the 18 month timeframe mentioned earlier, which should be approximately March, 2007.

Obviously, there are more unknowns than knowns at this point; however, we remain hopeful that our plan can be executed successfully with the help of our many partners. DHR and VHDA support is critical. We will do everything possible to get them on board and will keep you informed as new information becomes available."

Council Member Wishneff inquired as to the amount of square footage per house; whereupon, Mr. Reynolds responded that the houses would be in the range of approximately 2600 to 3400 square feet.

Council Member Dowe inquired if the price point of no more than \$265,000.00 per completed structure must be maintained; whereupon, Mr. Reynolds responded in the affirmative.

Council Member Cutler called attention to the need to prune streetscape trees and suggested that the City's Urban Forester and Public Works staff be included in the project inasmuch as there may be gaps in tree coverage that would require tree plantings in the sidewalk/street/curb area.

Council Member Wishneff questioned the \$265,000.00 figure per house and inquired if the bar might be set too high insofar as public subsidies. He also asked if the \$265,000.00 included 100 per cent of all costs. Mr. Reynolds responded that the \$265,000.00 figure per completed structure was derived after considerable research of historical sales in the area and after discussions with a number of real estate agents that conduct business in the Old Southwest community. He stated that it is believed that the houses should not sell above the price point of \$265,000.00 which is the upper limit of the selling price.

The City Manager called attention to the tax abatement program which affords 15 years of tax abatement for this type of structure in the historic area based upon a reduction in the number of units within the home; a component of the analysis that established the "price point" has to do with the fact that a homeowner will have a mortgage with a significant tax abatement for the first 15 years of ownership of the property, and, in addition, the homeowner would seek a low interest rate through the Virginia Housing Development Corporation in the three per cent range, which would significantly buy down the amount of the monthly mortgage cost; the \$265,000.00 figure relates only to reconstruction/renovation of the house; and items outside of that cost would include sidewalk repair and alley ways, etc. She noted that Council would be requested to act on the CMERP budget at its next meeting; \$370,000.00 is the City's requested contribution toward the project for acquisition of all the properties, and the balance of approximately \$26,000.00 is intended for initial start-up costs. She stated that the difference between what is proposed today and what may have been initially in the minds of several Council Members is that the homes would be individually purchased and renovated, as opposed to being "redeveloped" by the Housing Authority; an inquiry has been received from at least one individual who has expressed an interest in purchasing and renovating one of the homes which may be possible through some flexibility, but much depends upon of approvals by the VHDA and the Department of

Historic Resources as to how tax credits would be addressed; and certain covenants and requirements could be placed upon an individual to construct/reconstruct/redevelop to certain standards with approval as to design within the 18-month timeframe. She added that it is the desire of the Housing Authority to complete the project as quickly as possible so that first buyers will have the expectation that the balance of the block will be turned over in a relatively short period of time.

At 10:00 a.m., Council Member Lea entered the meeting.

Council Member McDaniel inquired if there would be an opportunity to research paint colors to restore the houses to their original color, or would the same color of paint be used on all of the houses; whereupon, it was explained that the new owners may not want every house to be painted the same color. She also inquired about efforts to market the houses; whereupon, Mr. Reynolds stated that Kit Hale is handling the marketing aspect of the project and the test house could serve as “Day on the Hill” headquarters for marketing purposes; and a complete marketing plan has not been drafted to date, but copies will be provided to the City upon completion.

Council Member Dowe advised that he was aware of the need to “kick start” the project and to give some parts of the City a face lift, but inquired about those persons currently residing in the homes who might not be financially able to afford the \$265,000.00 cost, even with leveraging opportunities through the tax abatement program, etc. The City Manager responded that the Housing Authority has expressed a willingness to help current occupants find other places to live within their price range, inasmuch as it is not anticipated that those persons who currently reside in the houses will become future owners given their limited income.

The City Manager further stated that the City has committed to Mr. Walker that it will identify replacement units for the lost low income units over the next five to seven years, which will happen as the Housing Authority continues to perform its day-to-day activities; as a community, the City of Roanoke has demonstrated that there is sufficient housing stock for low and moderate income persons in the community, however, much of the low and moderate income housing is concentrated only in certain parts of the City, therefore, there is a need to de-concentrate the location, as well as to rid the

City of substandard low income housing, and a portion of Community Development Block Grant funds this year will be dedicated for that purpose. She added that the City has every intention to help those persons who currently live in the 400 block of Day Avenue to relocate to units that are affordable and within their income limits; through discussions with Council and the Housing Authority, the Day Avenue area has been designated an area where the City needs to create market rate and upper income housing in order to sustain what is happening in the Old Southwest section of the City; construction of the Jefferson Center and the new YMCA will also help in the transition of the area; and the western portion of the downtown area was chosen by the City to concentrate different types of resources in order to further the growth and development of the area.

Council Member Cutler spoke with regard to planning efforts by the City that would lead to an increase in the value of homes in the more disadvantaged sections of the City which could be addressed over time through improved public infrastructure, street paving, installation of sidewalks and street lights, street trees and parks, all of which add to the value of homes in the neighborhoods and act as an incentive to homeowners to improve their property. The City Manager concurred in Mr. Cutler's remarks. With regard to constructing new homes on vacant lots in various neighborhoods, she advised that the goal would be to construct new homes at a minimum of 10 - 15 per cent higher than currently existing houses in the neighborhood which could encourage improvement in the value of the homes as well as encourage property owners to make improvements to their homes to increase property values; there are strategies that are specifically related to various income groups, as well as those that are designed to reduce the concentration of poverty within the City, and to reduce existing segregation. She stated that an ambitious housing initiative has been created throughout the City; the Day Avenue project was specifically directed toward upper income housing, which is the reason for the price point of \$265,000.00; and 75 per cent of the City's housing stock is valued at \$100,000.00 or less, therefore, the "Day on the Hill" project is another initiative to bring a different mix of housing into the City.

Council Member Wishneff inquired about the value of houses in the 400 block of Day Avenue; whereupon, R. Brian Townsend, Director, Planning, Building and Economic Development, advised that houses in the 400 block of Day Avenue were assessed for less than \$100,000.00 in their existing condition. The City Manager stated that the Day on the Hill project is intended

to stabilize a portion of the City that has the likelihood, without some type of intervention, of going in the wrong direction, and as the strategic housing plan moves forward, in addition to new construction, the City hopes to address new housing needs through both the Colonial Green and the Countryside Golf Course projects. She stressed the importance of taking appropriate action to cause the values of existing housing to appreciate and to keep neighborhoods that are currently on a downward trend from continuing to move in that direction, and the 400 block of Day Avenue is designated for that strategy.

Council Member Dowe cautioned that as the City goes forward with its strategic housing initiative, and taking into consideration that the biggest gap relates to upper income housing, it should be recognized that there will be a certain segment of the population who will be unable to afford upper end housing which will affect that specific demographic.

The City Manager clarified that the City intends to find alternative living arrangements for all of those persons currently living in the 17 properties as soon as the individuals are ready to move, rather than in the next five to seven years; the City previously committed to construct a number of what will be, in effect, replacement units over the next five to seven years; however, that does not mean that those individuals must wait for that period of time and some persons will choose to move without the City's assistance.

On behalf of the Council, the Mayor expressed appreciation to Mr. Reynolds for an informative briefing.

New Fire Station at Franklin Road:

FIRE DEPARTMENT: The City Manager advised that discussion with regard to the proposed new fire station would focus on the planned construction of the new Fire/EMS Headquarters Station at the corner of Elm Avenue and Franklin Road, S. W. She added that the briefing would not include a recommendation regarding the future of Fire Station No. 1, no decision has been made on future use of Fire Station No. 1, Fire Station No. 1 will continue to be used for fire activity purposes, and any proposed changes will be discussed with the Members of Council at a later time.

The City Manager stated that staff is prepared to present an update on the receipt of bids for construction of a new Fire/EMS Headquarters and Fire Station, and a request for appropriation of additional funds for construction is included on the 2:00 p.m. Council agenda.

James M. Grigsby, Fire Chief, called attention to a previous Council briefing on the Fire Department's Strategic Business Plan; whereupon, he highlighted the following:

FIRE-EMS BUSINESS PLAN - PHASE I

Fire-EMS Headquarters

Mission Statement

This department exists to protect and preserve the lives and property of residents and visitors of the City of Roanoke from damage or loss due to fire, medical emergencies, environmental hazards and traumatic accidents.

A news article published in *The Roanoke Times* on December 11, 1963, noted the Fire Department's inadequacies. The article states that five of the City's nine fire houses are more than 50 years old, and all but one were constructed before 1930. (This does not include the Garden City station now being built.) It also notes that often stations are not centrally located within their districts, requiring long runs in some directions. The article states that "One station properly located is therefore more economical and can be more adequate than several poorly located stations".

History

- Strategic Business Plan
 - Adopted by City Council on December 17, 2001
 - Consolidation of Stations 1 and 3 and Fire-EMS Administration
 - Consolidation of Stations 5 and 9
 - Build a new Fire-EMS Station 10
- Published department's Resource Allocation and Response Model
 - Fire-EMS Response Times
 - Fire = 90%/4minutes
 - EMS/ALS = 90%/8 minutes
 - EMS/BLS - 90%/12 minutes

- Station Consolidation
 - Distance between Fire Stations 1 and 3 is 0.71 mile
 - Distance between Fire Station 1 and new station is 0.39 mile
 - Distance between Fire Station 3 and new station is 0.50 mile
- Three-phase construction and consolidation of Fire-EMS Stations
 - Phase I (2005/2006): Construct a new Fire-EMS Headquarters–Consolidate the present No. 1 (Church Avenue) and No. 3 (6th Street) stations, as well as Fire-EMS Administration (Jefferson Center).
 - Phase II: Construct a new Station – Consolidate the present No. 5 (12th Street and Loudon Avenue) and No. 9 (24th Street and Melrose) stations into the new facility, with community center concept.
 - Phase III: Construct a new Station No. 10 – Relocate the residential component currently assigned to the Airport station to the new facility.

New Fire-EMS Headquarters – Franklin and Elm

- New station benefits:
 - A single station properly located can serve this area within required four minute response time 90%
 - Brings an engine, ladder and ambulance into single station
 - Enhanced engine and ambulance response time to downtown area
 - Addresses employee concerns of station conditions and livability in two stations – 2000 employee poll
 - Size and ability to accommodate modern equipment
 - Facility for Fire-EMS Administration
 - Gender Accommodation
- Acquired site in August 2003

- Site Specifics
 - Correctly located for response to all areas of the City
 - City owned adjacent property
 - Land cost was lower than budget, though it was recognized that the additional funds would be required for site work
 - Enhanced ladder response to 220 (Southern Hills) old southwest and night coverage life safety
 - Odd shape requiring substantial site work/retaining walls
 - After drilling, some construction issues for foundation (karst seams between thin rock shelves)
 - Removal of contaminated top soil and old fuel tanks
 - Soil Contamination – continuous monitoring of soil disturbed on site and removal of any contaminated soil
 - Installation of vapor barrier underneath foundation slab
 - Seal all joint slab areas
 - Exceeds all state and federal requirements
- Due to shape of lot, unique building design which required additional circulation space

Current Status

- Employee/community group input on station design
- Basic design completed in August 2004
- Final documents were ready in late spring 2005 and put out for bid
- Bids received June 30, 2005
- Bids Received
- Breakell, Inc. \$4,800,000.00
- Acorn Construction \$5,008,000.00
- Price Construction \$5,072,000.00
- Avis Construction \$5,230,000.00
- Branch and Associates \$5,390,000.00

Project Reductions

- Deletion of one apparatus bay and storage areas
- Deletion of one stairwell to 3rd floor administration
- Reduction of square footage in Fire-EMS administration (office space)
- Changes to floor covering (VCT vs carpet)

Phase I – Total Budget

- Approved Budget: \$5,531,580.00
- Actual Project Cost: \$6,204,231.00
- Funding Shortfall: \$ 672,651.00
- Funding Sources:
 - EMS User Fees: \$ 589,235.00
 - Re-Pay Flood Reduction Project over two years
 - Capital Project Contingency \$ 83,416.00

Reasons for Cost Increase

- Project cost developed in year 2000 dollars. Building Cost Index has increased 24.5% since 2000.
- Steel prices have doubled since March of 2004. Concrete prices have increased by over 10%.
- Technology (fiber optic) requirements were not available when business plan was adopted. (\$144,000.00)

Site Plan

First Floor – Fire-EMS Station Operation

Second Floor – Sleeping Quarters

Third Floor – Fire-EMS Administration

Exterior View

Apparatus Purchased – Fire

1995	Engine 9	\$ 233,390.00
1997	Engine 5	\$ 260,509.00
1998	Ladder 7 and 13	\$ 896,105.00
2000	Engine 14	\$ 388,770.00
2001	Engine 4	\$ 388,770.00
2003	Engine 10	\$ 429,767.00
2004	Ladder 2	\$ 799,850.00
2005	Engine 11	\$ 309,288.00
	Total Funding:	<u>\$3,317,409.00</u>

Apparatus – Ambulances

- From 1995 to Present
 - 13 ambulances purchased
 - \$859,009.00 in total cost

Chief Grigsby compared current fire stations to modern stations with modern equipment. He noted that Fire Stations Nos. 1, 3, 5 and 9 will not accommodate model fire apparatus due to the size of the buildings, therefore, fire stations must be constructed so as to house modern equipment. He added that every ladder truck purchased since 1995 has a water pump and hose equipment.

Discussion:

With regard to current response times, Chief Grigsby advised that the City's response time is 92 per cent, which is approximately three minutes and 42 seconds for a fire call; the response time at the underserved location in the north Williamson Road area should increase to about 92.5 – 93 per cent upon relocation; during the mid-1970's, the department responded to 250 – 260 working fires per year, and because of the Strategic Business Plan, actual working fire responses have decreased to 87. He emphasized that the department's greatest challenge pertains to ambulance response time which is eight minutes, 90 per cent of the time; however, ambulances and ALS vehicles are usually on the scene within five and onehalf minutes.

In response to an inquiry from Council Member Wishneff with regard to preparation for a natural disaster, Chief Grigsby advised that the new fire station will be equipped with back up generators for emergency purposes, which are not available at the present 13 fire stations. The City Manager added that new fire stations and future public facilities will be designed with space for public use.

Council Member Dowe inquired about the number of working fires during the past year; whereupon, Chief Grigsby responded that there were approximately 87 working fires during 2004. He defined that a working fire as the first piece of apparatus on the scene as well as an ambulance and an additional engine, and about 18 – 20 people are dispatched to a residential structure fire. Council Member Dowe also inquired about year to date working fires; whereupon, Chief Grigsby agreed to forward the information to the Members of Council.

Because of the perception that the downtown area would not be safe without a fire station, question was raised as to what would happen if a new fire station is constructed and Fire Station No. 1 continues to operate as a fire station; whereupon, Chief Grigsby responded that other than logistical and gender issues, ADA compliance would have been addressed. He indicated that from an operational standpoint, the City must provide engine service, ladder service, and man structure that is transparent to the community so that there are no issues regarding public safety.

Vice-Mayor Fitzpatrick pointed out that no pump engine has been housed at Fire Station No. 1 since 1991, and called attention to the fact that if Ladder One from Fire Station No. 1 responded to a fire at Center in the Square, it could not pump water since the pumper brings the water to the ladder trucks and the hoses. He added that the City will literally be locating a pumper closer to downtown Roanoke from the new headquarters fire station than is currently available at Fire Station No. 3; and overall, the ladder truck at Fire Station No. 1 is used for search and rescue during forcible entry.

Mayor Harris referred to a survey of Fire Station No. 1, which was provided by the City Manager prior to the 9:00 a.m. work session, and inquired as to any disadvantages of responding to emergencies from the proposed new location; whereupon, Chief Grigsby advised that Station No. 6 is located in the southeast section of the City and is the primary responder crossing Tazewell Avenue to the Jamestown public housing complex; and from Church Avenue, vehicles must travel in the southwest direction initially because of the one-way street, thereafter vehicles may turn around and travel in a southeasterly direction. Chief Grigsby added that from the proposed site on Elm Avenue and Franklin Road, fire and rescue vehicles could travel southeast without difficulty. He noted that although there are no good intersections in the vicinity, the City has a pre-emptive traffic control system which allows Fire/EMS control over the flow of traffic; and Station No. 6 was equipped with an ambulance because of the response time.

Mayor Harris commented on the future use and intent of Fire Station No. 1, which is an historic structure that is considered to be part of the culture and fabric of the downtown area, particularly the City Market area, and the building is a source of pride within the Fire/EMS department because of the age of the structure. He reiterated that at the beginning of the work session, the City Manager stated that she did not intend to make a recommendation with regard to the future of Fire Station No. 1, and several Members of the Council have advocated that the building should remain a City building with a City purpose, or a public safety facility, etc.

The Mayor requested a clarification by the City Manager with regard to the recommendation for appropriation of funds which is included on the 2:00 p.m. Council docket. The City Manager advised that the recommendation for appropriation of additional funds will allow the City to continue with construction of the new facility at Elm Avenue and Franklin Road and establish a headquarters location; a minimum of 12 – 14 months will be required for construction of the facility which will provide approximately one year to discuss and finalize any future use of Fire Station No. 1, and if there continues to be an interest on the part of Council and the public, a number of fire-related activities could be housed in Fire Station No. 1.

At the 2:00 p.m. Council session, Vice-Mayor Fitzpatrick suggested that it should be stated that any discussion with regard to the future use of Fire Station No. 1 has been taken from the table.

Council Member Cutler suggested that the City Market study also include recommendations with regard to future uses for Fire Station No. 1; whereupon, the City Manager advised that the consultant has been instructed to include Fire Station No. 1 in the study.

Following discussion, Council Member Wishneff requested that the City Manager be instructed to submit a recommendation with regard to a comprehensive and independent study of the City's emergency operations; i.e.: fire, emergency medical services, police and water safety, etc.

BUDGET: The Director of Finance recognized Ann H. Shawver, Deputy Director of Finance, for a presentation with regard to the City's 2005 Year-end Financial Report.

Ms. Shawver reviewed the following comparisons:
General Fund Revenues

	FY 2004 Actual	FY 2005 Actual (Unaudited)	\$ Variance	% Variance	FY 2005 Budget	% Budget Collected
General Property Tax	\$75,346,292	\$80,983,210	5,636,918	7.48%	\$79,623,211	101.71%
Other Local Tax	62,681,631	64,538,427	1,856,796	2.96%	63,017,000	102.41%
Permits, Fees and Licenses	1,026,606	1,275,026	248,420	24.20%	1,112,000	114.66%
Fines and Forfeitures	1,365,502	1,354,775	(10,727)	(0.79%)	1,321,000	102.56%
Investment and Rental Income	682,798	796,688	113,890	16.68%	735,000	108.39%
Grants-in-Aid Commonwealth	54,319,259	57,707,112	3,387,853	6.24%	58,973,375	97.85%
Grants-in-Aid Federal	150,116	38,770	(111,346)	(74.17%)	34,000	114.03%
Charges for Services	9,303,046	8,732,058	(570,988)	(6.14%)	8,404,380	103.90%
Miscellaneous	409,829	593,786	183,957	44.89%	494,445	120.09%
Transfers from Other Funds	-	15,501,876	15,501,876	100.00%	15,501,876	100.00%
Internal Services	2,241,909	2,381,971	140,062	6.25%	2,694,000	88.42%
Total	\$207,526,988	\$233,903,699	\$26,376,711	12.71%	\$231,910,287	100.86%

General Fund Local Tax Revenues

	FY2004 Actual	Fy 2005 Actual (Unaudited)	\$ Variance	% Variance	FY 2005 Budget	% Budget Collected
Real Estate Tax	54,676,806	59,367,476	4,690,670	8.58%	58,768,000	101.02%
Personal* Property Tax	22,465,810	24,542,280	2,076,470	9.24%	23,017,000	106.63%
Public Service Tax	4,463,696	3,868,419	(595,277)	(13.34%)	4,209,000	91.91%
Sales Tax	19,225,559	19,663,577	438,018	2.28%	18,892,000	104.08%
Utility Tax	13,321,752	13,349,039	27,287	0.20%	13,241,000	100.82%
Business License Tax	11,330,195	11,843,734	513,539	4.53%	11,553,000	102.52%
Prepared Food Tax	7,690,950	7,995,551	304,601	3.96%	7,741,000	103.29%
Franchise and Bank Stock Tax	2,540,910	2,616,491	75,581	2.97%	2,544,000	102.85%
Transient Room Tax	2,232,754	2,250,249	17,495	0.78%	2,252,000	99.92%
Cigarette Tax	1,895,533	1,889,419	(6,114)	(0.32%)	1,900,000	99.44%
All Other Local Taxes	5,873,489	6,461,223	587,734	10.01%	6,391,000	101.10%
Total	145,717,454	153,847,458	8,130,004	5.58%	150,508,000	102.22%

*Personal property tax as shown above includes both local and state tax relief portions.

General Fund Expenditures and Encumbrances

	FY 2004 Actual	FY 2005 Actual (Unaudited)	\$ Variance	% Variance	FY 2005 Budget	% Budget Obligated
General Government	\$11,898,598	\$11,505,505	(393,093)	(3.30%)	\$11,609,111	99.11%
Judicial Administration	6,211,622	6,551,413	339,791	5.47%	6,587,819	99.45%
Public Safety	49,650,213	52,770,117	3,119,904	6.28%	53,065,581	99.44%
Public Works	22,720,140	23,127,092	406,952	1.79%	23,332,060	99.12%
Health and Welfare	29,551,504	32,374,103	2,822,599	9.55%	33,201,327	97.51%
Parks and Recreation	8,356,185	8,561,826	205,641	2.46%	8,649,906	98.98%
Community Development	5,860,516	5,529,454	(331,062)	(5.65%)	5,570,156	99.27%
Transfer to Debt Service Fund	15,270,488	15,509,083	238,595	1.56%	15,510,670	99.99%
Transfer to School Fund	49,520,072	52,676,279	3,156,207	6.37%	52,676,279	100.00%
Transfer to School Capital Projects Fund	1,025,630	-	(1,025,630)	(100.00%)	-	0.00%
Nondepartmental	11,071,528	10,587,660	(483,868)	(4.37%)	10,705,383	98.90%
Total	\$211,136,496	\$219,192,532	\$8,056,036	3.82%	\$220,908,292	99.22%

General Fund Balance

- Budget Stabilization Reserve – \$15.7 million
 - Maintained as a funding source for emergencies or unforeseen declines in revenues.
 - Supported by the Budget Stabilization Reserve policy adopted in April 2005
 - Reserve required to be maintained at a level between 5% and 8% of the adopted expenditure budget for the current fiscal year.
- Reserve for Uninsured Claims – \$166,730
 - Transferred to the Risk Management Fund in the subsequent year.
 - City Code provides for an annual allocation of up to \$250,000
 - Reserve target is 3% of the General Fund budget

- Reserve for Encumbrances – \$1.5 million
 - Necessary to cover purchase orders from June 30th that will be paid in the upcoming fiscal year.
- Undesignated Fund Balance – \$3.4 million
 - Remaining fund balance after other components
 - Shared with the Schools using the same formula through which local tax revenues are shared (approximately 36% of local taxes in excess of estimates.)
 - City share \$2.0 million, School share \$1.4 million
 - Available for appropriation by City Council. Traditionally used to fund capital equipment and maintenance needs.

School Fund Balance

- Reserve for Uninsured Claims – \$300,000
- Reserve for Encumbrances – \$1.2 million
 - Necessary to cover purchase orders from June 30th that will be paid in the upcoming fiscal year.
- Undesignated Fund Balance – \$420,191
 - Remaining fund balance after other components
 - Similar to the City, it is available for appropriation by City Council and is traditionally used for capital equipment.

Civic Facilities Fund

- Civic Center and Victory Stadium operations
- Annual budget of \$5.8 million
- FY05 operating loss \$1.7 million
- Transfers of \$1.4 million from the General Fund in FY05
 - \$250,000 for Victory Stadium
 - \$1.2 million for the Civic Center
- FY05 adversely impacted by loss of hockey and a decline in number and profitability of events

Parking Fund

- Operates six garages and numerous surface lots.
- Annual budget of \$2.7 million.
- Operating income of \$921,000 in FY05. Net income of \$673,000 after debt service.
- Net income of the fund is generating working capital to cash-fund maintenance and facility improvements.
- Revenues in excess of expenses will be allocated to debt service on bonds issued to finance additional parking garages.

Market Building Fund

- Separate fund created in FY03 to monitor results of operations.
- Annual budget of \$312,000.
- FY05 operating loss of \$205,000.
 - Adjusted for facility repair expenses, the loss from operations was \$80,000.
- General Fund subsidy of \$151,000 was made to subsidize this loss and a loss from FY04.
- Funds also transferred during FY05 to enable a roof repair project planned for FY06.

Ms. Shawver advised that General Fund revenues for 2005 were impacted by a single large transfer late in the year to move a portion of the fund balance from the Debt Service Fund to the General Fund; and in order to help analyze data, it was appropriate to show the true growth adjustment. She stated that growth in General Fund revenues as a whole is approximately five per cent, and the transfer was for the purpose of establishing the Budget Stabilization Reserve.

Ms. Shawver further stated that all capital revenues exceeded the budget with two exceptions -- Grants-in-Aid Commonwealth and Internal Service charges which were impacted by services that the City thought would be contracted with the Western Virginia Water Authority; however, the Water Authority contracted services with Roanoke County or provided services from within. She called attention to growth of approximately \$3.4 million, or six per cent in Commonwealth revenues, social services, funding of constitutional offices, additional street maintenance and additional funding for law enforcement through House Bill 599.

The Director of Finance noted that Grants in the Commonwealth category fell below the City's budget, and there is a possibility of receipt of additional funds totaling \$400,000.00 in State reimbursement which will affect the City's overall fund balance.

Ms. Shawver advised that as a whole, the City's General Fund revenue is over budget by .86 per cent which contributes to the Fund balances in the amount of about \$1.9 million. She pointed out that the local taxes format is similar to the General Fund chart, particularly since personal property tax relief dollars are considered Commonwealth funds; and the real estate tax is the City's largest local tax, with a total growth of approximately 8.5 per cent this year which is inclusive of both the current portion and the collection of delinquent taxes.

She noted that the real estate reassessment amount for fiscal year 2005 was about six per cent, new construction contributed to about two per cent of the growth, the City had strong growth in 2004 and based upon the assessment of real estate, and there is a possibility of positive growth for fiscal year 2006. She explained that the personal property tax has increased to 9.3 per cent since 2001; and public service taxes which represent taxes on real estate and personal property owned by public service entities such as utility corporations have declined. She indicated that the public service tax was impacted by payment of 2004 refunds during fiscal year 2005.

The Deputy Director of Finance highlighted the following:

Sales Tax:

The third largest local tax. A growth of about 2.3 per cent in 2005 which is a fair positive growth considering regional competition in surrounding communities, such as the Counties of Botetourt and Franklin.

Utility Tax:

Fair, stable and consistent, with a growth of .2 per cent. A strong growth in the telephone tax, which is due to the continued migration of cell phones: (however, there was a decline in the telephone taxes because of the discontinued use of land lines by consumers.)

Business License Tax (BPOL):

The largest tax, with a greater growth at 4.5 per cent since 2001. A positive indicator for the City due to trends in the economy and a strong growth in the local sales tax.

Prepared Food and Beverage Tax:

Growth of 4 per cent due to an increase in dining out which has been consistent over the past several years.

Overall tax growth between 5 – 6 per cent. Strong growth led by real estate and personal property taxes as a category is over budget at 2.25 per cent. Other local taxes that were not detailed had a growth of ten per cent which was impacted by an increase in tax rates, such as recordation and E-911. The City experienced its first full year at the \$2.00 per line rate.

With regard to the transient room tax, the Director of Finance noted that there have been no changes in recent years; the City went through three years with a minor decline in the personal property tax, and by comparison, the total amount of revenue that the City realized from growth in taxes was \$8 million. He expressed appreciation to the Commissioner of the Revenue for ensuring that vehicles are registered with the Department of Motor Vehicles and assessed locally.

Ms. Shawver reviewed the expenditure category of the budget and advised that City expenditures increased approximately four per cent compared to FY04, and the FY05 pay raise under the City's pay for performance program ranged from three to 3.5 percent. She added that the City did not spend all of the funds that were budgeted, and .78 per cent, or approximately \$1.7 million remained unobligated at the end of the fiscal year.

The Deputy Director of Finance advised that:

Public Safety:

A labor intensive area experienced a three per cent increase, and an additional increase in compensation at mid-year caused a slight increase.

Health and Welfare:

Increased expenditures driven by increased social services programs, such as the Comprehensive Services Act (CSA), which has traditionally increased in cost. The City has more recipients and expensive and different facilities to care for children.

Transfer to the Annual School Fund increased, which is a significant component at approximately \$53 million of the City's total expenditures predicated on local taxes. The City shares approximately 36 per cent with Roanoke City Public Schools, which growth goes hand in hand with growth in the City's local taxes, along with funding to the schools for capital improvements and other projects.

In connection with a question by Council Member Cutler regarding the Budget Stabilization Reserve, Ms. Shawver advised that the Reserve has a balance of approximately \$15.7 million, and has increased due to interest earnings since establishment of the Reserve in April, 2005. She added that the

Stabilization Reserve is a shift of fund balance from the Debt Service Fund into the General Fund; a reserve for uninsured claims provision is included in the City Code, and the City is self insured for workers compensation. She further advised that the City has a significant amount of self insurance, with a deductible for auto and general liability; and during 2005, the City achieved its target at the level of budget for uninsured claims.

In connection with the School Fund, Ms. Shawver stated that the school system will receive a total of approximately \$1.8 million.

Council Member Dowe inquired about an e-mail from the City Manager concerning the rising cost of fuel; whereupon, the City Manager advised that the supplier has assured the City that it will receive adequate fuel deliveries; however, the question becomes, can the City afford the rising price of fuel. She stated that City departments have been reminded of the policy regarding the idling of vehicles; and staff is working on a plan of action in the event that it becomes necessary to curtail the use of fuel from a price standpoint.

The Deputy Director of Finance reviewed the following enterprise funds:

Civic Facilities Fund:

The facility typically experiences an operating loss and the General Fund subsidizes the Civic Facilities Fund.

Vice-Mayor Fitzpatrick inquired about ways to track the amount of tax revenue generated; whereupon, Ms. Shawver noted that civic facilities generate local taxes such as meals tax, transient lodging tax, sales tax, etc.; and admissions taxes generated from the facilities total approximately \$450,000.00 annually. The City Manager added that numerous non-profit organizations use facilities and must to be subsidized in some manner.

Council Member Cutler inquired about the use of anticipated additional revenue once the new Exhibit Hall is open for operation; whereupon, the City Manager advised that the expectation was that any additional revenue from use of the Exhibit Hall would fund debt service on the addition that is currently under construction, and part of the original debt service was based on the assumption that there would be some additional revenue from Victory Stadium which is no longer the situation. She also noted that the new Exhibit Hall is anticipated to be completed by early 2007.

Ms. Shawver explained that the Civic Facilities Fund completed the year with a total net income of approximately \$5,000.00, inclusive of both operating results and transfers and certain other items such as interest revenue and insurance proceeds from flood damages, etc.

Parking Fund

The Fund has shown a fairly positive performance over the past few years, operating income in FY05 was lower than the prior year; the City issued about \$2 million of bonds last fall on parking garages, the City has planned additional debt issuance in the amount of approximately \$5 million in two years, and final income at the end of the year was \$673,000.00.

Market Building Fund

Net income for the year totaled approximately \$119,000.00.

The Mayor expressed appreciation to the Director of Finance and the Deputy Director of Finance for an informative briefing on financial issues.

The Mayor left the meeting at 12:30 p.m., and the Vice-Mayor presided over the following briefing:

Police Cadet/Ranger Partnership

POLICE DEPARTMENT: Captain Timothy Jones advised that the Police Department and the Parks and Recreation Department recognized a need to present a higher representation of public safety in City park areas; therefore, in fiscal year 2004–2005, both departments presented budgets that included funds for a Park Ranger or Police Cadet Program.

Captain Jones reviewed the following:

Background of the Partnership

- Separate supplemental budget requests from Parks and Recreation and the Police Department were submitted in fiscal year 2004–2005.
 - Due to the need for enhanced patrols in the parks
 - In order to increase recruiting among young people and supplement current staffing levels

- Developing the two programs in a partnership arrangement suited the needs of both departments; and approval was granted
- Total amount budgeted: \$86,237.00
- Partnership developed in August 2004

Parameters of the Program

- College students, 18 – 22 years old
 - Interested in law enforcement or park ranger careers
 - 5 to 7 current, actively enrolled college students
- Hiring process similar to that of a police officer
 - Background check, polygraph, interviews
- Duties include inspections/patrol of parks and police related responsibilities

Program Goals

Parks and Recreation

- Deter illegal activity
- Enhance positive public image
- Enhance greater perception of safety
- Identify and respond to areas with immediate needs
- Identify vandalism and repairs needed immediately
- Protect assets
- Provide safer parks due to increased patrol

Police Department

- Perform duties that do not require a certified officer
- Allow sworn officers sufficient time to handle more serious incidents
- Enhance positive public image
- Increase patrol visibility throughout the City of Roanoke
- Increase positive citizen interaction with members of the Police Department

Cadet/Ranger Vehicles and Uniform

- Uniforms unique to their missions
- Police vehicles modified

Cadet/Ranger Duties

- Patrol City parks and recreational facilities
- Provide support services for operations
- Division of the Police Department
- Provide information and directions to the public
- Traffic control and direction
- Funeral escorts
- Other duties as assigned

Parks and Recreation Events

- Events requiring cadet assistance are listed on a monthly calendar

Cadets/Rangers on the Job

- Cadets interact with employees
- Enhances safety presence in the City parks

Cadets/Rangers at Special Events

- Cadets participated in this year's Eggstravaganza Event at Wasena Park
- Bike Virginia
- Cadets were assigned to monitor camp sites at Madison Middle School and Virginia Western Community College
- Provided directions and information to participants and visitors
- Relay for Life
- Cadets participated in the Roanoke Valley Relay for Life held on June 17, 2005, at the Roanoke Civic Center
- Cadets staffed water stations, cheered on participants, and directed traffic for incoming vehicles

Cadet/Ranger Stats at a Glance

- Since inception of the partnership:
 - Over 1,400 park inspections performed
 - 121 dispatched calls received
 - 114 traffic control incidents
 - 106 assist motorist incidents
 - 63 property checks
 - 51 warrants/papers/code 8 duties performed
 - 41 public service incidents
 - 33 accidents reported
 - 27 respond issues handled
 - 15 crossing guard duties
 - 24 special events attended
 - 23 funeral escorts
 - 19 police vehicles transported
 - 17 police service calls
 - 8 abandoned vehicles

Criminal Apprehensions by Cadets/Rangers

- 1 grand larceny apprehension
- 1 DUI called in and subsequently apprehended
- 1 hit and run crash witnessed
- 4 intoxicated pedestrians called in and subsequently apprehended

Looking toward the Future

- As summer comes to a close, both the Police Department and the Parks and Recreation Department are seeing the benefits of the program
- Both departments are looking forward to increasing the impact of the program and to continued positive relationships
- Parks and Recreation and the Police Department would like to thank Council for supporting and appropriating funds for the partnership

Council Member Dowe inquired about the work schedule for college students; whereupon, Captain Jones advised that the City facilitates student work schedules around the student's available time. Mr. Dowe also inquired as to whether there are plans to include students at Virginia Western Community College and Virginia Tech in the program; whereupon, Captain Jones called attention to tentative discussions with representatives of Virginia Western, Virginia Tech and Radford University regarding the program, and noted that three of the last eight candidates heard about the program through their respective college or university.

Council Member Dowe inquired about the City's liability, if any, under the Cadet Program; whereupon, the City Manager responded that duties are not the same as a sworn police officer and cadets are considered to be regular employees. As the Youth Commission prepares the Youth Comprehensive Plan as an addendum to the City's overall Comprehensive Plan, Mr. Dowe suggested that participants of the Cadet Program be invited to provide input. The City Manager advised that the goal of the Cadet Program is to encourage young people to consider law enforcement as a profession.

Council Member Cutler suggested that the City explore the feasibility of expanding the program beyond the criminal justice curriculum to include recreation, and inquired if cadets could be used to patrol the Carvins Cove area; whereupon, Captain Jones advised that cadets are familiar with the Carvins Cove property.

Council Member Lea inquired as to the number of minorities enrolled in the program; whereupon, Captain Jones responded that three minorities were initially enrolled in the program, but due to various circumstances the number has dropped to zero.

Council Member Wishneff suggested that the Cadet Program be featured on RVTV Channel 3 to enhance public awareness.

Vice-Mayor Fitzpatrick expressed appreciation to the Police Department and to the Parks and Recreation Department for their efforts to involve young people in local government and community affairs, and commended Captain James for an informative briefing.

At 12:45 p.m., the Vice-Mayor declared the Council meeting in recess to be immediately reconvened in closed session in the Council's Conference Room, Room 451, Noel C. Taylor Municipal Building.

At 1:30 p.m., the Council reconvened in open session in the Council's Conference Room, Room 451, Noel C. Taylor Municipal Building, for the following briefing, with Mayor Harris presiding and all Members of the Council in attendance.

Dr. Martin Luther King, Jr. Memorial Bridge and Park:

BRIDGES: Working from schematic drawings, Harold Platt, representing Hayes, Seay, Mattern and Mattern, presented a plan for the Dr. Martin Luther King, Jr. Memorial Bridge and Park. He stated that the updated plan changed the position of the proposed statue of Dr. King at the north entrance to a center site because a decision was made to maintain a pedestrian bridge.

Mr. Platt also presented schematic drawings with regard to the south entrance which included a brick pier with a bronze relief and decorative steel trellis.

Bishop Heath Light, 2524 Wycliffe Avenue, S. W., inquired about stairs and an elevator.

The Reverend Edward Mitchell, 1570 16th Street, N. W., spoke in support of the proposed changes.

The Assistant City Manager for Community Development advised that the Dr. Martin Luther King, Jr. Memorial Bridge Committee will meet on Wednesday, September 7, 2005, to review proposed changes.

On behalf of the Members of Council, the Mayor expressed appreciation to Mr. Platt for his presentation.

At 1:50 p.m., the Mayor declared the Council meeting in recess until 2:00 p.m., in the Council Chamber.

At 2:00 p.m., on Tuesday, September 6, 2005, the Council meeting reconvened in the City Council Chamber, fourth floor, Noel C. Taylor Municipal Building, 215 Church Avenue, S. W., City of Roanoke, Virginia, with Mayor C. Nelson Harris presiding.

PRESENT: Council Members Beverly T. Fitzpatrick, Jr., Sherman P. Lea, Brenda L. McDaniel, Brian J. Wishneff (arrived late), M. Rupert Cutler, Alfred T. Dowe, Jr., and Mayor C. Nelson Harris -----7.

ABSENT: None-----0.

The Mayor declared the existence of a quorum.

OFFICERS PRESENT: Darlene L. Burcham, City Manager; William M. Hackworth, City Attorney; Jesse A. Hall, Director of Finance; and Mary F. Parker, City Clerk.

The invocation was delivered by Mayor C. Nelson Harris.

The Pledge of Allegiance to the Flag of the United States of America was led by Mayor Harris.

PRESENTATIONS AND ACKNOWLEDGEMENTS:

COMMITTEES-SCHOOLS: The Mayor announced that Council will accept applications until 5:00 p.m., on Friday, September 16, 2005, for a vacancy on the Roanoke City School Board, to fill the unexpired term of Gloria P. Manns, resigned, ending June 30, 2006; and a public hearing to receive the views of citizens on School Board applicants will be held on Monday, September 19, 2005, at 7:00 p.m., or as soon thereafter as the matter may be heard in the City Council Chamber.

ACTS OF ACKNOWLEDGEMENT-DIRECTOR OF FINANCE: The Mayor advised that the City of Roanoke was awarded Certificates of Achievement for Excellence in Financial Reporting for its comprehensive annual financial report and for its financial report in connection with the Pension Plan. He explained that the award, which is presented by the Government Finance Officers Association, represents the highest form of recognition in the area of governmental accounting and financial reporting and attainment of the award is a significant accomplishment by a government and its management. He stated that the City of Roanoke has received the award for its annual financial reports for the past 32 years, the City is one of the top five localities in the United States for consecutive receipt of the award, and the top locality in Virginia, and the City has received an award for its pension financial report for the past 18 years.

On behalf of the Members of Council, the Mayor presented Certificates of Achievement to Dawn Hope, Manager of Accounting Services, and to Harold Harless, Jr., Retirement Accountant, and commended the Finance Department, under the leadership of Jesse A. Hall, Director of Finance, for outstanding accomplishments in financial reporting.

CONSENT AGENDA

The Mayor advised that all matters listed under the Consent Agenda were considered to be routine by the Members of Council and would be enacted by one motion in the form, or forms, listed on the Consent Agenda, and if discussion was desired, the item would be removed from the Consent Agenda and considered separately.

MINUTES: Minutes of the regular meetings of Council held on Monday, July 18, 2005, and Monday, August 1, 2005, were before the body.

Vice-Mayor Fitzpatrick moved that the reading of the minutes be dispensed with and that the minutes be approved as recorded. The motion was seconded by Council Member Dowe and adopted by the following vote:

AYES: Council Members Fitzpatrick, Lea, McDaniel, Wishneff, Cutler, Dowe and Mayor Harris-----7.

NAYS: None-----0.

CITY COUNCIL-CMERP: A communication from the City Manager requesting that Council schedule a public hearing for Monday, September 19, 2005, at 7:00 p.m., or as soon thereafter as the matter may be heard, with regard to the Capital Maintenance and Equipment Replacement Program (CMERP), was before the body.

Vice-Mayor Fitzpatrick moved that Council concur in the request. The motion was seconded by Council Member Dowe and adopted by the following vote:

AYES: Council Members Fitzpatrick, Lea, McDaniel, Wishneff, Cutler, Dowe and Mayor Harris-----7.

NAYS: None-----0.

CITY COUNCIL-LEASES-AIR RIGHTS: A communication from the City Manager requesting that Council schedule a public hearing for Monday, September 19, 2005, at 7:00 p.m., or as soon thereafter as the matter may be heard, with regard to the lease of air rights at 301 Jefferson Street, S. W., in order to install balconies along Kirk Avenue, was before the body.

Vice-Mayor Fitzpatrick moved that Council concur in the request. The motion was seconded by Council Member Dowe and adopted by the following vote:

AYES: Council Members Fitzpatrick, Lea, McDaniel, Wishneff, Cutler, Dowe and Mayor Harris-----7.

NAYS: None-----0.

COMMITTEES-SCHOOLS: A communication from Gloria P. Manns tendering her resignation as a Trustee of the Roanoke City School Board, effective Monday, August 15, 2005, at the conclusion of the joint meeting of Council and the School Board, was before Council.

Vice-Mayor Fitzpatrick moved that the resignation be accepted and that the communication be received and filed. The motion was seconded by Council Member Dowe and adopted by the following vote:

AYES: Council Members Fitzpatrick, Lea, McDaniel, Wishneff, Cutler, Dowe and Mayor Harris-----7.

NAYS: None-----0.

ANNUAL REPORTS-COMMITTEES-INDUSTRIES: A communication from the Industrial Development Authority transmitting its Fifth Annual Report for the period July 1, 2004 through June 30, 2005, was before Council.

Vice-Mayor Fitzpatrick moved that the Annual Report be received and filed. The motion was seconded by Council Member Dowe and adopted by the following vote:

AYES: Council Members Fitzpatrick, Lea, McDaniel, Wishneff, Cutler, Dowe and Mayor Harris-----7.

NAYS: None-----0.

OATHS OF OFFICE-COMMITTEES-ROANOKE ARTS COMMISSION: A report of qualification of Susan M. Egbert as a member of the Roanoke Arts Commission, for a term ending June 30, 2008, was before Council.

Vice-Mayor Fitzpatrick moved that the report of qualification be received and filed. The motion was seconded by Council Member Dowe and adopted by the following vote:

AYES: Council Members Fitzpatrick, Lea, McDaniel, Wishneff, Cutler, Dowe and Mayor Harris-----7.

NAYS: None-----0.

REGULAR AGENDA

BID OPENINGS:

CITY PROPERTY-LEASES-COMMONWEALTH OF VIRGINIA BUILDING: Pursuant to notice of advertisement for bids for lease of space in the Virginia Commonwealth Building, said bids to be received in the City Clerk's Office until 12:00 p.m., on Tuesday, September 6, 2005, and to be held, unopened, until 2:00 p.m., on that date, the Mayor inquired if anyone had any questions with regard to the opening of the bids. No person raising any question, the Mayor instructed the City Clerk to proceed with the opening of the bids.

The City Clerk advised that one bid was submitted from the United States of America, General Services Administration, at an annual lease rate of \$254,280.00 for the first five years and \$224,289.00 for the second five years, beginning April 1, 2005 through March 31, 2015.

Without objection by Council, the Mayor advised that the bid would be referred to the City Manager for report and recommendation to Council.

PUBLIC HEARINGS:

CITY PROPERTY-LEASES-COMMONWEALTH OF VIRGINIA BUILDING:
Pursuant to instructions by the Council, the City Clerk having advertised a public hearing for Tuesday, September 6, 2005, at 2:00 p.m., or as soon thereafter as the matter may be heard in the City Council Chamber on the lease of certain City-owned property located in the Commonwealth Building to be used for office space for a term of up to ten years, the matter was before the body.

Legal advertisement of the public hearing was published in *The Roanoke Times* on Friday, August 19, 2005 and Friday, August 26, 2005.

The City Manager submitted a communication advising that Ordinance No. 27529 adopted by the Council on May 6, 1985, authorized the United States of America General Services Administration (GSA) lease in the Commonwealth Building located at 220 Church Avenue; the GSA has leased the location since February 1986, and the current lease agreement expired on March 31, 2005.

It was further advised that the GSA has requested a new lease agreement with similar terms and conditions; the previous lease contained a one year term at an annual lease rate of \$131,290.20; the proposed lease agreement is for an additional ten year period, beginning April 1, 2005 through March 31, 2015, at an annual lease rate of \$254,280.00 for the first five years and \$224,289.00 for the second five years; the higher rental rate for the first five year term will reimburse the City for the cost of space renovations; during the second five years of the lease, either party may terminate the lease with a two-year notice period; and there are no renewal options for the lease.

The City Manager recommended that she be authorized to execute a lease agreement with the successful bidder for 17,253 ANSI/BOMA usable square feet, and 19,841 rentable square feet in the Commonwealth Building for a period of up to ten years, beginning April 1, 2005 and expiring on March 31, 2015, said document to be approved as to form by the City Attorney.

Council Member Cutler offered the following ordinance:

(#37166-090605) AN ORDINANCE authorizing the lease of 17,253 usable (19,841 rentable) square feet of office and related space located within City-owned property known as the Commonwealth Building for a term of up to ten years subject to a provision whereby either party may terminate the lease after five years, without cause, upon two years written notice; authorizing the appropriate City officials to execute a Lease Agreement therefor; and dispensing with the second reading of this ordinance by title.

(For full text of ordinance, see Ordinance Book No. 69, Page 562.)

Council Member Cutler moved the adoption of Ordinance No. 37166-090605. The motion was seconded by Vice-Mayor Fitzpatrick.

The Mayor inquired if there were persons present who would like to speak in connection with the proposed lease of property. There being none, he declared the public hearing closed.

There being no questions or comments by Council Members, Ordinance No. 37166-090605 was adopted by the following vote:

AYES: Council Members Fitzpatrick, Lea, McDaniel, Wishneff, Cutler, Dowe, and Mayor Harris-----7.

NAYS: None-----0.

PETITIONS AND COMMUNICATIONS:

ACTS OF ACKNOWLEDGEMENT-CITY COUNCIL: The Mayor presented a communication advising that keeping in mind the number of Keys to the City that are presented annually by the Members of Council, and due to the escalating cost and significance of the Key to the City, the City of Roanoke has reached a point where an established criteria for awarding Keys should be considered and adopted by the Council; therefore, he proposed the following:

The Key to the City of Roanoke will be awarded only in the following instances:

- Persons who have achieved national recognition and/or serve as presidents of national organizations/institutions, etc.
- Retiring elected officials
- Retiring top City officials
- Citizen of the Year

It was further advised that on behalf of the Council, the City Clerk's Office maintains an inventory of various types of gifts that may be awarded in lieu of the Key to the City; some of the gifts include the City's new branding logo or the City Seal; and the City Clerk has been requested to develop a Distinguished Service Medallion that could be awarded by the Members of Council to deserving citizens and/or guests to the City in lieu of the Key to the City.

Council Member Cutler moved that Council concur in the recommended criteria for awarding Keys to the City. The motion was seconded by Vice-Mayor Fitzpatrick and unanimously adopted.

SCHOOLS: Susan R. McMinnis, Job Placement Officer, Virginia Western Community College, advised that the Hall Career Center is a testing, counseling and resource center that provides career-related services to students and alumni at no charge; and the Center coordinates with regional industry and business employees to provide information on full time and part time job openings. She stated that Virginia Western is proud to partner with Hall Associates to make these important career services available to the Roanoke community and invited the Members of Council to a grand opening celebration on Thursday, September 8 from 4:00 to 6:00 p.m., in the Student Center on the main VWCC campus. She presented the following summary of services that will be provided to students:

- Assistance with developing résumés and a review of interview techniques; résumés will be posted on the VWCC website.
- Students will be provided with weekly updates on job openings.
- A weekly profile of a local business.
- Students will have access to the job kiosk provided by *The Roanoke Times*.
- Soft skill workshops will be offered throughout the school year.

She advised that businesses will receive the following services:

- Job openings will be posted
- Student résumés may be reviewed online
- Free workshops and job training will be offered

Upon question, Ms. McMinnis advised that services are also available to prospective students of Virginia Western Community College, to high school students and to citizens of the region free of charge.

Council Member Cutler suggested that Ms. McMinnis contact the Roanoke Regional Chamber of Commerce to combine offerings by VWCC with the needs of Chamber of Commerce Members.

REPORTS OF OFFICERS:

CITY MANAGER:

BRIEFINGS: NONE.

ITEMS RECOMMENDED FOR ACTION:

VICTIM/WITNESS/JUROR ASSISTANCE PROGRAM-GRANTS-BUDGET-COMMONWEALTH'S ATTORNEY: The City Manager submitted a communication concurring in a recommendation of the Commonwealth's Attorney with regard to acceptance of the Roanoke City Victim Witness Grant, in the total amount of \$140,788.00.

The Commonwealth's Attorney submitted a written report advising that the Victim/Witness Assistance Program was awarded a 12-month grant, in the amount of \$115,117.00, for July 2005 through June 2006 from the Department of Criminal Justice Services (DCJS), which will allow the Victim/Witness Assistance Program to continue to provide comprehensive information and direct services to crime victims and witnesses in accordance with the Virginia Crime Victim and Witness Rights Act; the Victim/Witness Program continues to operate with a full-time coordinator for the Circuit Court, as well as one full-time assistant for the Juvenile and Domestic Relations Court and one full-time assistant for the General District Court; and a summary of fiscal years 2001-2002, 2002-2003, 2003-2004 and 2004-2005 contracts document services provided by the program.

It was further advised that the Victim/Witness Program is coordinated by the Office of the Commonwealth's Attorney; cost to the City for Grant No. 06-L8554VW05 would be \$25,671.00 as a local cash match, for a total grant budget of \$140,788.00; the local cash match is equal to that of fiscal year 2004-2005; and the local cash match is included in the General Fund fiscal year 2005-2006 adopted budget in the Transfer to Grant Fund Account.

The Commonwealth's Attorney recommended that Council take the following actions:

- Accept Victim/Witness Grant No. 06-L8554VW05, in the amount of \$115,117.00, with the City of Roanoke providing \$25,671.00 as a local cash match from monies provided in the Transfer to Grant Fund Account in the Fiscal Year 2005-2006 budget, for a total grant of \$140,788.00.
- Authorize the City Manager to execute all appropriate documents to be approved as to form by the City Attorney.
- Appropriate \$140,788.00 and increase the corresponding revenue estimates in accounts to be established by the Director of Finance in the Grant Fund.
- Transfer \$25,671.00 from the General Fund Transfer to Grant Fund, Account No. 001-250-9310-9535, to the above-established Grant Fund account.

Council Member Dowe offered the following budget ordinance:

(#36167-090605) AN ORDINANCE to appropriate funding for the Victim Witness Program Grant, amending and reordaining certain sections of the 2005-2006 Grant Fund Appropriations, and dispensing with the second reading by title of this ordinance.

(For full text of ordinance, see Ordinance Book No. 69, Page 564.)

Council Member Dowe moved the adoption of Ordinance No. 37167-090605. The motion was seconded by Vice-Mayor Fitzpatrick.

Council Member Dowe advised that he serves on the Board of Directors, Department of Criminal Justice, which is a volunteer position; he receives no remuneration in return for his services, and inquired if he would have a conflict of interest in voting on the ordinance. The City Attorney responded that inasmuch as Mr. Dowe serves in a volunteer position, there would be no conflict of interest and he could, therefore, cast his vote on the ordinance.

Ordinance No. 37167-090605 was adopted by the following vote:

AYES: Council Members Fitzpatrick, Lea, McDaniel, Wishneff, Cutler, Dowe, and Mayor Harris-----7.

NAYS: None-----0.

Council Member Dowe offered the following resolution:

(#37168-090605) A RESOLUTION authorizing the acceptance of a Victim/Witness Assistance Program grant from the Commonwealth of Virginia Department of Criminal Justice Services and authorizing execution of any required documentation on behalf of the City.

(For full text of resolution, see Resolution Book No. 69, Page 565.)

Council Member Dowe moved the adoption of Resolution No. 37168-090605. The motion was seconded by Council Member McDaniel and adopted by the following vote:

AYES: Council Members Fitzpatrick, Lea, McDaniel, Wishneff, Cutler, Dowe, and Mayor Harris-----7.

NAYS: None-----0.

POLICE DEPARTMENT-BUDGET-GRANTS: The City Manager submitted a communication advising that the Roanoke Police Department's community based bicycle patrol program has been funded over the past several years by a Local Law Enforcement Block Grant program; and the funding source has been severely reduced to the extent that continued operation of the program is in jeopardy.

It was further advised that a new program, the Edward Byrne Memorial Justice Assistance Grant (JAG) program, was established to allow for community policing programs similar to the current bicycle patrol initiative; the Police Department was awarded \$111,010.00 under the JAG funding formula for continuation of the bicycle patrol program; funding will provide equipment and allow for bicycle patrols in neighborhoods experiencing unpleasant conditions which reduce the quality of life; and operation of the program will be sustained at the high level that the community has come to expect.

The City Manager recommended that Council take the following actions:

- Accept the Edward Byrne Memorial Justice Assistance Grant of \$111,010.00 from the U. S. Department of Justice, Office of Justice Programs; and authorize execution of the grant agreement and any related documents, subject to approval as to form by the City Attorney.
- Appropriate funding of \$111,010.00 and establish corresponding revenue estimates in accounts to be established by the Director of Finance in the Grant Fund as follows:

Overtime	\$ 92,894.00
FICA	\$ 7,106.00
Expendable Equipment	\$ 9,960.00
Fees for Professional Services	\$ 1,050.00
Total	<u>\$111,010.00</u>

Council Member Dowe offered the following budget ordinance:

(#37169-090605) AN ORDINANCE to establish the Edward Byrne Memorial Justice Assistance Grant, amending and reordaining certain sections of the 2005-2006 Grant Fund Appropriations, and dispensing with the second reading by title of this ordinance.

(For full text of ordinance, see Ordinance Book No. 69, Page 566.)

Council Member Dowe moved the adoption of Ordinance No. 37169-090605. The motion was seconded by Vice-Mayor Fitzpatrick and adopted by the following vote:

AYES: Council Members Fitzpatrick, Lea, McDaniel, Wishneff, Cutler, Dowe, and Mayor Harris-----7.

NAYS: None-----0.

Vice-Mayor Fitzpatrick offered the following resolution:

(#37170-090605) A RESOLUTION authorizing the acceptance of a Edward Byrne Memorial Justice Assistance Grant (JAG) from the U. S. Department of Justice, and authorizing execution of any required documentation on behalf of the City.

(For full text of resolution, see Resolution Book No. 69, Page 567.)

Vice-Mayor Fitzpatrick moved the adoption of Resolution No. 37170-090605. The motion was seconded by Council Member Dowe and adopted by the following vote:

AYES: Council Members Fitzpatrick, Lea, McDaniel, Wishneff, Cutler, Dowe, and Mayor Harris-----7.

NAYS: None-----0.

BUDGET-EMERGENCY SERVICES-GRANTS: The City Manager submitted a communication advising that in October 2004, the Department of Homeland Security instituted the Buffer Zone Protection Program (BZPP) to aid localities in the physical protection of critical infrastructures and key resources; the purpose of the infrastructure protection funding program is to reduce vulnerabilities of key resource sites by extending the protected area around a site into the surrounding community and to support the prevention and preparedness levels of first responders.

It was further advised that the Police Department was awarded \$100,000.00 in BZPP funding to purchase advanced technological and tactical response equipment which will greatly enhance the department's ability to effectively respond to large scale incidents located in or near governmental facilities or key commercial assets.

The City Manager recommended that Council accept the Buffer Zone Protection Program Grant award of \$100,000.00 from the Department of Homeland Security's Office of Domestic Preparedness; and authorize the City Manager to execute the grant agreement and any related documents, subject to approval as to form by the City Attorney; and appropriate \$100,000.00 and establish corresponding revenue estimates in accounts to be established by the Director of Finance in the Grant Fund as follows:

Expendable Equipment	\$ 72,152.00
Furniture and Equipment	<u>\$ 27,848.00</u>
Total	<u>\$100,000.00</u>

Vice-Mayor Fitzpatrick offered the following budget ordinance:

(#37171-090605) AN ORDINANCE to establish the Buffer Zone Protection Grant, amending and reordaining certain sections of the 2005-2006 Grant Fund Appropriations, and dispensing with the second reading by title of this ordinance.

(For full text of ordinance, see Ordinance Book No. 69, Page 568.)

Vice-Mayor Fitzpatrick moved the adoption of Ordinance No. 37171-090605. The motion was seconded by Council Member McDaniel.

Ms. Evelyn D. Bethel, 35 Patton Avenue, N. E., inquired if the Buffer Zone Protection Grant is site specific. She called attention to rumors that a large buffer zone would be needed should the Social Security building be constructed on Henry Street. On behalf of the majority of Gainsboro residents, she requested that the Social Security building be constructed elsewhere. She advised that residents and friends of the Gainsboro community have worked diligently to develop the Henry Street corridor; the area should be an education, historical and cultural complex; part of the vision of Gainsboro has been completed with the Roanoke Higher Education Center, rehabilitation of the Ebony Club, the culinary school, and expansion of the Dumas Artistic Center. She added that the Dr. Martin Luther King, Jr., Memorial Bridge and Park will be located less than a block from the proposed site of the Social Security building, which would be devastating to the area and to historic Henry Street. She advised that if the Social Security building is constructed on Henry Street, it is rumored that several streets would be closed, and closure of the streets would prevent total and complete access to the Henry Street area of education, historical and cultural complexes. She further advised that the Social Security Office serves claimants throughout southwest Virginia, and 80 per cent of claimants reside in areas outside of the Roanoke Valley, therefore, she asked that Council give serious consideration to locating the Social Security Building at another location.

In response to Ms. Bethel's remarks, the City Manager advised that the grant would be used to purchase certain technical and tactical equipment that would allow the Police Department to better respond and to better protect commercial assets, as well as governmental assets in the City of Roanoke if they were in any way threatened.

There being no further discussions, Ordinance No. 37171-090605 was adopted by the following vote:

AYES: Council Members Fitzpatrick, Lea, McDaniel, Wishneff, Cutler, Dowe, and Mayor Harris-----7.

NAYS: None-----0.

Council Member Dowe offered the following resolution:

(#37172-090605) A RESOLUTION authorizing the acceptance of a Buffer Zone Protection Program Grant from the Department of Homeland Security, and authorizing execution of any required documentation on behalf of the City.

(For full text of resolution, see Resolution Book No. 69, Page 569.)

Council Member Dowe moved the adoption of Resolution No. 37172-090605. The motion was seconded by Vice-Mayor Fitzpatrick and adopted by the following vote:

AYES: Council Members Fitzpatrick, Lea, McDaniel, Wishneff, Cutler, Dowe, and Mayor Harris-----7.

NAYS: None-----0.

BUDGET-FIRE DEPARTMENT: The City Manager submitted a communication advising that the City of Roanoke opened bids for the new Fire/EMS Administration Facility to be located at Elm Avenue and Franklin Road on June 30, 2005; five bids were received from local contractors, with the low bid having been submitted by Breakell, Inc., in the base bid amount of \$4,800,000; and additional funds totaling \$672,651.00 needs to be appropriated to complete the project.

It was further advised that funding for debt service on Fire/EMS facility improvements is being provided by increased EMS fees; EMS fees increase annually through fiscal year 2007 in accordance with Federally-allowed levels; although debt has been issued for the first Fire/EMS station replacement, there are excess Fire/EMS revenues each year until all planned debt is issued for the

projects; until fiscal year 2009 when EMS fees are needed entirely for debt service, the fees can be used to cash-fund some elements of facility projects; based on the expected EMS revenues as compared to the timing of planned debt issuance, funds in the amount of \$589,235.00 may be transferred from other capital projects to be replenished during fiscal year 2007 and fiscal year 2008 from such excess Fire/EMS revenues; and remaining funds of \$83,416.00 are available from contingency funding in the Capital Projects Fund.

The City Manager recommended that additional funds, in the amount of \$589,235.00, be transferred from Roanoke River Flood Reduction, Account No. 008-056-9620-9003, and \$83,416.00 from Capital Projects Contingency Fund, Account No. 008-530-9575-9220, to the Fire/EMS Administration Facility Improvement Program, Account No. 008-530-9678-9003.

Council Member Dowe offered the following budget ordinance:

(#37173-090605) AN ORDINANCE to transfer funding from the Roanoke River Flood Reduction Project and from the Capital Improvement Reserve to the Fire/EMS Administration Facility Improvement Project, amending and reordaining certain sections of the 2005-2006 Capital Projects Fund Appropriations, and dispensing with the second reading by title of this ordinance.

(For full text of ordinance, see Ordinance Book No. 69, Page 569.)

Council Member Dowe moved the adoption of Ordinance No. 37173-090605. The motion was seconded by Vice-Mayor Fitzpatrick.

Vice-Mayor Fitzpatrick advised that Council devoted a significant amount of time in a discussion of the matter at its 9:00 a.m. work session, and it was the consensus of Council that construction of a new headquarters Fire/EMS station at Elm Avenue and Franklin Road, S. W., would be disengaged from Fire Station No. 1; and Fire Station No. 1 will continue to remain open and be used for fire activity purposes.

Former Mayor David A. Bowers, 601 Camilla Avenue, S. E., advised that many citizens believe that Fire Station No. 1 should be saved, it should be functional and continue to be as the Number 1 Fire Station in the City of Roanoke. He asked that Council honor its pledge to save Fire Station No. 1 by a formal vote of the Council. He stated that some time ago, the City spent

thousands of dollars to renovate and to remodel the Fire House on Church Avenue, the station continues to operate in good stead, and the City continues to have a good fire rating for insurance purposes. He stated that Fire/EMS facilities should not be constructed outside of downtown Roanoke; the City has spent a million dollars on property at the corner of Elm Avenue and Franklin Road; some of Roanoke's business people have spent millions of dollars on the same corner and they expect the area to remain a professional or commercial corner. He asked that the City stop the practice of constructing the Social Security Administration Office on the outskirts of the City, stop the practice of sending the Department of Social Services to Williamson Road, and stop the practice of sending Municipal offices to the outskirts of the City when they should be located in downtown Roanoke where they will add to the economy of the downtown area.

Mr. Les Stennett, 3531 Peters Creek Road, N. W., spoke in support of continued operation of Fire Station No. 1 at its current location. He stated that if fire stations are combined, personnel will be eliminated; and part of the Fire Chief's plan is to eliminate an engine and purchase a new updated ladder truck which will also serve as a pump. He further stated that a new ladder truck cannot rescue people from a dwelling that is on fire, therefore, he asked that Council keep in mind that the City's number one responsibility is to keep the citizens of Roanoke safe and all other things become secondary.

Ms. Zoe Stennett, 3531 Peters Creek Road, N. W., spoke in support of continued operation of Fire Station No. 1. She also spoke with regard to consolidating fire stations and stated that every fire station should have a ladder truck, an engine that carries water, and an ambulance. She expressed concern with regard to the condition of the City's fire houses and inquired as to why the City has allowed the condition of fire stations to deteriorate to their present state.

Ms. Helen E. Davis, 35 Patton Avenue, N. E., spoke in support of continued operation of Fire Station No. 1 because the structure is 100 years old, is the oldest fire station in southwest Virginia and has historic significance. She stated that very little information has been provided with regard to proposed Fire Department changes and the closure of fire stations; and the closing of existing fire stations in northwest Roanoke will result in a nearly two mile radius that will be without fire apparatus. She added that an independent audit by the State will show that the proposal of the City Manager and the Fire Chief is unfair and unsafe for the northwest corridor of the City because residents in northwest Roanoke will lose a fire station. She asked that Council review the plan proposed by the City Manager and the Fire Chief with an eye toward critical thinking and that Fire Station No. 1 remain open.

Mr. Larry Earl, 430 Washington Avenue, S. W., a retired United States Marine with a career in motor transport, acquisitions and hazardous waste materials and a volunteer fireman, expressed concern with regard to the closing of Fire Station No. 1; however, he stated that his main concern involved the City's plans to construct a multi-million dollar fire station on a site that could not be used for residential or commercial purposes due to toxic levels, and although the toxic levels are currently below today's standards of acceptable levels, what will be the impact 20 years from now should it be determined that foresight in 2005 was inaccurate. He stated that every time firefighters don their turnout gear and respond to a call, they are subject to contaminants that can and will build up in their bodies over time; and now it appears that the City is willing to allow them to spend a quiet shift in a fire station on top of a low, but contaminated site. In addition, he advised that the City plans to build the fire station at a major intersection which is congested both in the morning and in the evening rush hour; fire apparatus, which are large trucks, require a large turning radius, they are extremely heavy, they do not accelerate rapidly and they will be required to make a U-turn on Franklin Road; and, added to that, hazardous conditions may prevail when the volume of rush hour traffic is backed up at the Elm Avenue/Franklin Road intersection or when there are inclement weather conditions.

Mr. Rodney Jordon, 2806 Franklin Road, S. W., advised that he appeared before Council to exercise his First Amendment rights as an employee of the City of Roanoke and of the United States of America. He stated that he stood before the Council knowing that when the meeting is over, every firefighter in the room, as well as every firefighter who stands up and speaks, will fear some form of retaliation for their stance on the issue, because retaliation is rampant in the Fire Department and throughout City government. He added that personal threats have been made against him; it is time for this type of treatment to stop because he has the right to speak and to express his opinion; no one wants to take the time to listen to what a firefighter or other City employee has to say and they should not be limited to three minutes when addressing Council. He advised that the mission statement of the Fire Department is to protect and to preserve life and property; the core value statement of the City says that the City's employees are it's greatest asset; whereupon, he challenged the Fire Administration and the Council to act accordingly. He stated that firefighters are subject to inherent risks in their job every day; they are exposed to all kinds of unknowns; and they are now subject

to being placed on a contaminated site that only adds to the risk of the profession; and the City proposes to construct a state of the art facility on the corner of Elm Avenue and Franklin Road that has an inadequate exhaust system to remove diesel soot from the station. He added that every fire station in the City has the same problem; therefore, the Fire Administration and Council should make a commitment to Fire/EMS employees that every fire station will be equipped with an adequate diesel exhaust system to protect firefighters against harmful contaminants that they breath every day before consideration is given to breaking ground on any fire station in the City of Roanoke.

Ms. Josephine Hutcheson, 1111 Loudon Avenue, N. W., expressed concern with regard to inadequate information that was provided to the public in connection with the proposed closing of fire stations. She stated that a City-wide public hearing, with appropriate notification through the local news media, was not held which would have afforded the opportunity for citizens to ask questions and express concerns.

Mr. Mark McConnel, 532 Linden Street, S. E., stated that Fire Station No. 1 and the construction of a new fire station are completely and inextricably linked to one another; to accept the new fire station at Elm Avenue and Franklin Road is to accept the consolidation plan, which means that Fire Station No. 1 and Fire Station No. 3 will be combined; and it is fiscally irresponsible to construct a \$6 million Fire Station No. 3 on a valuable commercial lot if Fire Station No. 1 continues to operate at its current location. He stated that he was not advocating that the City should not spend \$6 million on Fire/EMS services, but the equipment used by firefighters and the salary structure should be reviewed and an independent location study should be commissioned. He expressed a concern over the lack of input from Roanoke's firefighting community; and advised that from an architectural standpoint, of entities such as the Association for the Preservation of Virginia Antiquities and the National Trust for Historic Preservation have spoken in favor of keeping fire service in fire stations, particularly in the historic districts where buildings are constructed from highly combustible materials. He stated that firefighters like Fire Station No. 1 because it is a good and workable station that can accommodate the necessary fire apparatus. He added that Chief Grigsby stated that the consolidation plan would achieve a 90 per cent success rate in reaching any call for service within four minutes or less; currently, the success rate is 92 per cent, therefore, this would be the beginning of a lowered standard. He stated that because more people are living in downtown Roanoke, and because

downtown is such a densely populated area during day and evening hours, a ladder truck and a fire engine should be available at Fire Station No. 1. He questioned the efficiency of placing an ambulance at the new fire station at Elm Avenue and Franklin Road when Roanoke Emergency Medical Service No. 1, is located just two blocks away at Fourth Street and Day Avenue. He urged Council to table action on the recommendation of the City Manager and that the business plan proposed by the Fire Chief be reconsidered in its entirety.

Mr. Mike Hanks, 455 Hidden Country Lane, Hardy, Virginia, a retired firefighter with 30 years of service to Roanoke's citizens, spoke to the statement made by Fire Chief Grigsby that modern stations are needed to house modern equipment. He stated that Chief Grigsby argues that modern equipment does not fit in current fire stations; therefore, the City should investigate why an outdated fire engine was recently purchased and Engine 11 will fit in any fire station in the City. He advised that the Fire Chief has stated a preference for a straight ladder truck as opposed to a tiller ladder truck and asked if the Chief's rationale could be that efforts to eliminate a position on the truck have failed with Council on more than one occasion, and this could be a way to circumvent the wishes of Council; a tiller ladder truck is more maneuverable in tight spaces in downtown, and an additional firefighter is needed to meet fire suppression and rescue demands given the size of buildings and the concentration of people in downtown Roanoke. He stated that the Chief's second point is that Fire Station No. 3 is in poor condition and needs to be replaced; however, the question is, why was the building allowed to deteriorate to its present condition when repeated requests for repairs were not addressed by Fire Administration and the building eventually succumbed to neglect. He further stated that a possible solution would be to house Engine No. 3 at the current No. 1 Fire Station. He added that his purpose in addressing the Council was not to make recommendations on how or where companies or stations should be located in the City, which should be addressed in a study that takes advantage of modern methods. He stated that the funds that are required to construct a new fire station would be better spent to purchase newer and more modern equipment for the safety of firefighters such as diesel smoke removal equipment, and the addition of manpower in the Fire Department.

Mr. John Wildig, 1502 Riverland Road, S. E., advised that before a new fire station at Elm Avenue and Franklin Road is constructed, he would implore the Council to request a proper station location study by an independent source not

connected with the City administration which would remove all questions as to whether the Elm Avenue/Franklin Road site is the right location for an actual fire suppression station that will house firefighting equipment and personnel. He added that since the last study was performed in 1994, the cost for such a study has drastically decreased. He stated that Fire Station Nos. 3 and 9 are in poor condition and roofs have not been repaired or replaced on the premise that certain fire stations will be closed. He advised that morale in the Fire Department is low, and there is a lack of respect and support for employees.

Ms. Evelyn D. Bethel, 35 Patton Avenue, N. E., expressed concern that some City employees may lose their job because they have exercised their Constitutional right to freedom of speech and requested that Council investigate the above referenced allegations. She stated that at the 9:00 a.m. work session, she heard the Fire Chief state that Roanoke now has a 92 per cent ratio or percentage in responding to fires, but with the proposed relocation, response time would drop to 90 per cent which is unacceptable to Roanoke's citizens. She asked that Council not support a proposal where response time will be greater. She stated that more people are choosing to live in downtown Roanoke, the City is in the process of developing upscale housing and, at the same time, the City is advocating a reduction in fire stations. She spoke in support of continued operation of Fire Station No. 1 which is a useful and historic building that is over 100 years old.

Ms. Bridgett Meagher, 3612 Medmont Circle, S. W., advised that she is a long time downtown business owner. She spoke in support of keeping Fire Station No. 1 open and requested that the citizens of Roanoke receive written confirmation that Fire Station No. 1 will remain open, fully staffed and equipped as a fire station. She also asked that serious consideration be given to reinstatement of a fire engine at Fire Station No. 1. She referred to a 1983 commitment by a previous City Manager to keep Fire Station No. 1 open. She requested that the City postpone any decision to fund the new Fire Administration building at Elm Avenue and Franklin Road until an overall comprehensive study of fire safety can be conducted. She expressed concern that crucial public safety supervisors and chiefs are housed in disparate locations throughout the City when they should be operating out of the same location; fire chiefs, police chiefs, City Managers and other important emergency personnel should be housed in the same location, because when disaster occurs they should be located in the same building in order to properly communicate with one another. She stated fire stations in neighborhoods provide a stabilizing influence in vulnerable locations which was learned recently with hurricane Katrina.

Joyce Waugh, Vice-President, Public Policy and Strategic Issues, Roanoke Regional Chamber of Commerce, read a letter from Dr. Edward Murphy, Chairman of the Board, expressing support for efforts of Roanoke City Council to contain costs while improving the effectiveness and efficiency of Fire/EMS services. The letter noted that while the Chamber of Commerce has not independently evaluated the cost benefit analysis provided by the City of Roanoke, it supports in principle the strategic plan that includes relocation of Fire Stations No. 1 and No. 3 to a modern new facility at Elm Avenue and Franklin Road; improvements always require change and that is what is required for Council to provide the kind of services that businesses and residents expect; there can be little argument that state of the art Fire/EMS services are critical in today's world; and creating efficiencies in those services is a bonus and upgrading facilities by consolidating Stations 1 and 3 and Fire/EMS administration serves both efficiency and effectiveness. It was noted that Fire Station No. 1 is an historic gem of a building on the City Market and will not go away if and when fire operations move; and this is an opportunity to capitalize on the charm. Mr. Murphy advised that the Roanoke Higher Education Center and 8 Jefferson Place demonstrate that the City's best architecture can be put to new uses that contribute to the community; change has its enemies; therefore, Roanoke should not become its own worst enemy by blocking progress when there is a sound business case in its favor.

Mr. Bill Tanger, 129 Thurston Avenue, N. E., representing the Roanoke Business Group, advised that a fire station need not be constructed on a prime commercial business site, and the plan to locate a fire station where a business should be located indicates a lack of business sense. He stated that Roanoke is not known as a business friendly city, although it is understood that comments made by the Mayor that Roanoke is open for business are sincere and well intentioned; therefore, on behalf of the Roanoke Business Group he asked that Franklin Road and Elm Avenue be used for business purposes. He asked that a vote on the new fire station be tabled pending a comprehensive study and until the public understands what Council is voting on.

Council Member Dowe requested the Fire Chief to review the briefing that was presented at the 9:00 a.m. work session.

Chief Grigsby addressed the issue of site contamination which was mentioned as a point of concern by fire fighters and other persons in the community, and advised that a dry cleaning establishment previously existed on the site, the material that was identified on the site is included on the Department of Environmental Quality's list of contaminants at a standard of 100,000 times below the residential level of concern; therefore, the site is not contaminated and will not be contaminated. He stated that interactive systems currently exist within fire stations to address diesel fume removal (a door goes up and a firefighter turns on a fan to remove diesel fumes) which have not proven to be effective. He referred to a system that would cost in the range of \$14,000.00 per apparatus that could be used to remove diesel fumes, however, firefighters report that the exhaust apparatus would not be widely used because of the time involved to attach the equipment to the fire truck. He stated that fire stations that have some of the most egregious fumes are those stations that are proposed to be replaced with new construction and they are also the stations that have bay areas on top of sleeping quarters. He further stated that solutions have been proposed to address the issue of diesel fumes and a cleaner environment, gender diversification, restroom facilities, drive through stations versus back in stations, and firefighter safety versus some of the situations that currently exist.

Chief Grigsby called attention to a misunderstanding with regard to his remarks in connection with response times in that at least three of the previous 13 speakers indicated that he had proposed a plan that would reduce the current response time allocation when, in fact, his actual statement was that the four minutes 90 per cent of the time resource allocation response model had been adopted and the department currently beats the response model by about two per cent; and when fire stations are totally built out and the new fire station on Williamson Road is operational, it is expected that the response model will go up to approximately 93 per cent, therefore, the proposal provides a higher standard in fire response. He explained that ambulance responses are on a different schedule; i.e.: eight minutes 90 per cent of the time; working fires have decreased from approximately 260 per year to 87 in 2004; fires to date in 2005 total 56; a fire engine has not been located at Fire Station No. 1 for the past 14 years; the new plan provides for locating the fire administration office in the headquarters station and addresses gender diversification, smoke in fire stations, and the size of fire stations will accommodate modern fire apparatus.

He advised that the site under consideration was acquired in August 2003, the site is correctly located for the response areas to be covered; the City owns adjoining property which added to the attractiveness of the site; land cost was lower, but actual funds are due to site work, size and elevation of the site, all of which were compounding factors to the cost. He stated that the most favorable site was located across the street; however, cost was a prohibiting factor, and the site would have enhanced ladder response time to certain parts of the City. He noted that the site under consideration requires deeper digging to enable the foundation of the structure to support the type of new fire apparatus that weight between 32,000 and 38,000 pounds; there is some soil contamination, however, the site will not exceed State and Federal requirements. He advised that the South Roanoke stations previously referenced by former Mayor David Bowers are well located stations for the four minute response time and are not recommended for closure; an employee/community group met on the design of the fire stations, the design was approved in August 2004, final documents were bid in June 2005, Breakell, Inc. General Contractors, submitted the low bid in the amount of \$4.8 million which exceeded allocated funds; through due diligence, the cost was pared down, however, there remains a shortfall of \$672,651.00, with \$589,000.00 to be taken from Emergency Medical Services fees and approximately \$83,400.00 will be on loan. He noted that increased costs are due to construction cost, fiber optic expenses, the HVAC system will contain smoke ejectors that are intended to move smoke from the bay areas that include living quarters, and a redesign of the roof.

Slides of Fire Stations No. 9 and No. 5 were shown to indicate that previous fire stations were not constructed in a manner so as to house the kind of modern fire apparatus that is needed in today's world such as the telesquirt and the aerial ladder.

Chief Grigsby advised that Fire/EMS equipment that addresses the needs of the Roanoke community is needed and he could not, in good conscience, place emotion over public safety.

With regard to traffic issues, Chief Grigsby advised that the flow of traffic at the intersection of Elm Avenue and Franklin Road can be controlled through the City's Opticom traffic system.

The City Manager was requested to comment on the City's rationale to build a fire station on what is perceived to be a developable commercial lot; whereupon, she advised that the City initially looked at approximately 11 sites that met distance and time factors and those 11 sites were narrowed down to 3; often times as the City becomes the developer, it should take the more challenging sites to develop, because those sites have additional expenses associated with them; and just about any building constructed on the site would have certain additional costs, given the topography and curvature of the parcel of land. She stated that at least two other sites within about a block and deeper into the downtown area would have met the definition, but had the sites been selected, they would have taken certain easily developable sites off of the land inventory; and as a municipality, the City of Roanoke should be concerned that good sites are left for development by the private sector. She stated that when the site was selected, Council was advised that there would be higher development costs, but lower land cost; staff worked for over a year to secure, without the use of eminent domain, a more attractive and flatter site immediately across the street which could not be accomplished; after a protracted amount of time and negotiation, the site under consideration was selected and the fact that the City owns adjacent land brought the costs down.

Chief Grigsby addressed certain remarks that were made earlier in the meeting by Mr. Rodney Jordan regarding rumors that there would be retaliation against him for exercising his right to freedom of speech, and advised that the person who was supposedly one of the parties to the rumor was instructed to talk with Mr. Jordan, and state that any type of retaliation by the City administration would be unethical. In response to another remark by a previous speaker that the Fire Chief had personally directed that fire station roofs not be repaired, Chief Grigsby advised that the comments were unfounded because to allow fire stations to fall into a state of disrepair would be incompetent on his part as Roanoke's Fire Chief.

Council Member Wishneff advised that it would be appropriate for the City to engage in a comprehensive and independent study of the City's emergency response operations; i.e.: fire, emergency medical services, police and water safety, etc.; whereupon, the City Manager was requested to report to Council accordingly.

The Mayor spoke in support of a comprehensive and independent study of the City's emergency response operations and advised that Council had previously referred the matter to the City Manager for report at its 9:00 a. m. work session. Secondly, he spoke to the diesel exhaust problem within the fire stations which is an issue that should be addressed. He referred to remarks by the Fire Chief that a \$14,000.00 apparatus could be attached to the fire engine that would alleviate the problem and if the equipment has not been provided by the City, it then becomes a problem that is owned by City government, inasmuch as government has not provided the means to mediate the problem. He stated that if the City provides the apparatus and firefighters choose not to use the equipment, it becomes the problem of the firefighters and the Fire Administration should not be held accountable at that point, therefore, the City should embark on a solution to remedy the problem. As one Member of Council, the Mayor asked that the matter be addressed and resolved by the City Manager. Thirdly, he expressed concern with regard to previous remarks made by speakers regarding employee retaliation as a result of exercising their right to freedom of speech and advised that Council supports an atmosphere and a City government where City employees feel free to address the Council in an atmosphere of respect, without concern for retribution or retaliation for their comments. He expressed appreciation to Chief Grigsby for his response to the matter and advised that he would take the Chief's word that such behavior would not be tolerated. Lastly, the Mayor inquired, based on Council's previous discussion regarding Fire Station No. 1 at the 9:00 a. m. work session, if it continues to be the City Administration's recommendation to proceed with the existing design for the new fire station, given the Council's position to keep Fire Station No. 1 operational.

The City Manager advised that the new fire station facility and every other facility that has been designed and constructed in recent years has become more and more expensive; and it would not be any less expensive to construct a fire station, particularly following redesign, therefore, it would be to the City's advantage to build the fire station accordingly to the existing design inasmuch as the design allows for equipment and personnel in a way that could not be accommodated at a similar cost in the future. She stated that the City would be well served by an independent study, not only as to the location of fire stations but staffing levels, and the complement of equipment that would be required in the future; the lion's share of the cost received by the City in Fire/EMS service is

derived from emergency medical calls; there has been a reduction in the number of working fires over the past several years which is the combination of numerous things coming together, including considerable training and fire education within the department. She added that the site is still a desirable location; and a significant expense has already been incurred by the City to secure the site and to design the building.

The Mayor advised that the present Council cannot speak for future Councils, and the present Council supports a new fire facility that is a combination Station No. 3/Fire/EMS administration office/headquarters; and Fire Station No. 1 in downtown Roanoke will remain in operation.

The City Manager advised that a previous speaker referred to "inadequate fire protection"; whereupon, she noted that she would like to go on record as stating that all of the recommendations the Fire Department's Strategic Business Plan pertained to maintaining and enhancing fire protection and emergency medical service for the citizens of Roanoke. She stated that following the events of September 11, 2001, the City of Roanoke conducted a massive review of emergency response activities, some shoring up was done as a result of the review, and since the recent hurricane events, City representatives have been meeting with other localities in the region to review preparedness response issues. She stated that if there were an emergency today, the City Manager, the Chief of Police, the Fire Chief, and the emergency preparedness staff person would be located in one single building and function from that building to manage any emergency situation on behalf of the City.

Vice-Mayor Fitzpatrick called for the question.

Ordinance No. 37173-090605 was adopted by the following vote:

AYES: Council Members Fitzpatrick, Lea, McDaniel, Wishneff, Cutler, Dowe and Mayor Harris-----7.

NAYS: None-----0.

ART ACQUISITION: The City Manager submitted a communication advising that correspondence from Herb Detweiler dated August 19, 2005, requested a 12-month extension of the Agreement dated September 17, 2004, with regard to the Unity sculpture; pursuant to terms of the Agreement, the deadline for completion and acceptance of the sculpture is September 17, 2005, however, the Agreement provided that with the approval of Council, the deadline could be extended by no more than an additional 12-month period.

The City Manager recommended that Council authorize an extension of the time of performance of the Agreement with JDR Art, Inc., by 12 months, or until September 17, 2006.

Vice-Mayor Fitzpatrick offered the following resolution:

(#37174-090605) A RESOLUTION approving the extension of an agreement between JDR ART, Inc. and the City of Roanoke for acceptance and donation of a work of sculpture to be known as the Unity sculpture, for a period of twelve (12) months.

(For full text of resolution, see Resolution Book No. 69, Page 570.)

Vice-Mayor Fitzpatrick moved the adoption of Resolution No. 37174-090605. The motion was seconded by Council Member Dowe and adopted by the following vote:

AYES: Council Members Fitzpatrick, Lea, McDaniel, Wishneff, Cutler, Dowe and Mayor Harris-----7.

NAYS: None-----0.

DIRECTOR OF FINANCE:

AUDITS/FINANCIAL REPORTS: The Director of Finance submitted the Fiscal Year 2005 Unaudited Financial Report.

(For full text, see Financial Report on file in the City Clerk's Office.)

The Director of Finance advised that the Budget Stabilization Reserve at June 30, 2005 is \$15,650,125.00; the Reserve was established to serve as a funding source for emergencies or unforeseen declines in revenues; the Reserve is supported by the Budget Stabilization Reserve Policy which was adopted by Council in April 2005; the Reserve is currently seven per cent of the adopted General Fund Budget for FY06, a slight decline from the level at which it was established; and the policy states that the Reserve minimum will be five per cent with a target of eight per cent.

He further advised that the allocation to the Reserve for Uninsured Claims was \$166,730.00; the City Code provides that an annual allocation of up to \$250,000.00 will be made to develop a reserve for Uninsured Claims equal to three per cent of the General Fund Budget; the current year allocation fully funds the Reserve; the City is self-insured for workers' compensation and establishes a loss retention in conjunction with auto and general liability insurance based on claims history.

It was noted that the year end Undesignated Fund Balance is \$3,392,317.00; at the end of each fiscal year, any undesignated fund balance is shared with the School Board using the same formula through which local tax revenues are shared; based on the formula, the Undesignated Fund Balance will be allocated \$2,033,742.00 to the City and \$1,358,575.00 to the Schools; the City's Undesignated Fund Balance will be recommended primarily for funding of capital equipment requested through the City's Capital Maintenance and Equipment Replacement Program ("CMERP") at a future meeting of Council; and while reliance upon year end fund balance for capital items has declined due to additional funding of the items in the operating budget, the Undesignated Year End Fund Balance will continue to be recommended for use in addressing additional capital needs and non-recurring items.

It was further noted that a Reserve for Encumbrances that totals \$1,478,146.00 is required in order to provide funds to cover purchase orders from June 30th which will be paid during the upcoming fiscal year; a Reserve for Uninsured Claims is maintained by the School Board in the amount of \$300,000.00; the Undesignated Fund Balance is \$420,191.00 and will be allocated by the School Board for capital equipment funding during the upcoming fiscal year; and along with this balance in the School Fund, the Schools will receive \$1,358,575 from the City's General Fund as above-described.

The Director of Finance explained that a Reserve for Encumbrances of \$1,150,687.00 is required in order to provide funds to cover purchase orders from June 30th which will be paid during the upcoming fiscal year. He reiterated that the General and School Fund amounts discussed within the report are Unaudited, subject to change during the course of the City's external audit; and a report of all funds of the City will be included in the Comprehensive Annual Financial Report which is currently being prepared.

There being no questions or comments, without objection by Council, the Mayor advised that the Fiscal Year 2005 Unaudited Financial Report would be received and filed.

REPORTS OF COMMITTEES: NONE.

UNFINISHED BUSINESS: NONE.

INTRODUCTION AND CONSIDERATION OF ORDINANCES AND RESOLUTIONS:

VIRGINIA MUNICIPAL LEAGUE-CITY COUNCIL: Council Member Cutler offered the following resolution designating Vice-Mayor Beverly T. Fitzpatrick, Jr., as Voting Delegate, and Council Member Sherman P. Lea as Alternate Voting Delegate, and Darlene L. Burcham, City Manager, as Staff Assistant at the 2005 Annual Conference of the Virginia Municipal League:

(#37175-090605) A RESOLUTION designating a Voting Delegate and Alternate Voting Delegate for the Annual Business Session and meetings of the Urban Section of the Virginia Municipal League and designating a Staff Assistant for any meetings of the Urban Section.

(For full text of resolution, see Resolution Book No. 69, Page 571.)

Council Member Cutler moved the adoption of Resolution No. 37175-090605. The motion was seconded by Council Member Dowe and adopted by the following vote:

AYES: Council Members Fitzpatrick, Lea, McDaniel, Cutler, Dowe and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Wishneff was not present when the vote was recorded.)

CITY COUNCIL-NATIONAL LEAGUE OF CITIES: Council Member Cutler offered the following resolution designating Council Member Sherman P. Lea as Voting Delegate and Council Member Alfred T. Dowe, Jr., as Alternate Voting Delegate for the 2005 Annual Business Meeting of the National League of Cities:

(#37176-090605) A RESOLUTION designating a Voting Delegate and Alternate Voting Delegate for the Annual Business Meeting of the National League of Cities.

(For full text of resolution, see Resolution Book No. 69, Page 572.)

Council Member Cutler moved the adoption of Resolution No. 37176-090605. The motion was seconded by Vice-Mayor Fitzpatrick and adopted by the following vote:

AYES: Council Members Fitzpatrick, Lea, McDaniel, Wishneff, Cutler, Dowe and Mayor Harris-----7.

NAYS: None-----0.

CITY COUNCIL: Vice-Mayor Fitzpatrick offered the following resolution changing the time of commencement of the regular meeting of Council scheduled to be held at 12:00 noon on Monday, September 19, 2005, to 2:00 p.m.

(#37177-090605) A RESOLUTION changing the time of commencement of the regular meeting of City Council scheduled to be held at 12:00 Noon on Monday, September 19, 2005.

(For full text of resolution, see Resolution Book No. 69, Page 573.)

Vice-Mayor Fitzpatrick moved the adoption of Resolution No. 37177-090605. The motion was seconded by Council Member McDaniel and adopted by the following vote:

AYES: Council Members Fitzpatrick, Lea, McDaniel, Wishneff, Cutler, Dowe and Mayor Harris-----7.

NAYS: None-----0.

MOTIONS AND MISCELLANEOUS BUSINESS:

INQUIRIES AND/OR COMMENTS BY THE MAYOR AND MEMBERS OF COUNCIL:

CELEBRATIONS-HENRY STREET REVIVAL COMMITTEE: Council Member Lea called attention to the Henry Street Heritage Festival which will be held on Saturday, September 24 from 10:00 a.m. – 10:00 p.m., and on Sunday, September 25 from 12:00 p.m. – 6:00 p.m., in Elmwood Park.

CITY EMPLOYEES-TREES-ACTS OF ACKNOWLEDGEMENT: Vice-Mayor Fitzpatrick commended the efforts of City staff to remove a fallen tree on Carolina Avenue, S. W.

OATHS OF OFFICE-COMMITTEES-ROANOKE NEIGHBORHOOD PARTNERSHIP: The Mayor advised that there is a vacancy on the Roanoke Neighborhood Advocates created by expiration of the term of office of Carl D. Cooper; whereupon, he opened the floor for nominations to fill the vacancy.

Council Member Lea placed in nomination the name of Martha Williams.

There being no further nominations, Ms. Williams was appointed as a member of the Roanoke Neighborhood Advocates, for a term ending June 30, 2008, by the following vote:

FOR MS. WILLIAMS: Council Members Fitzpatrick, Lea, McDaniel, Wishneff, Cutler, Dowe and Mayor Harris-----7.

OATHS OF OFFICE-COMMITTEES-ARCHITECTURAL REVIEW BOARD: The Mayor advised that the three year terms of office of Alison S. Blanton and James Schleuter as members of the Architectural Review Board will expire on October 1, 2005; whereupon, he opened the floor for nominations to fill the vacancies.

Council Member Lea placed in nomination the names of Alison S. Blanton and James Schleuter.

There being no further nominations, Ms. Blanton and Mr. Schleuter were reappointed as members of the Architectural Review Board, for terms commencing October 2, 2005 and ending October 1, 2009, by the following vote:

FOR MS. BLANTON AND MR. SCHLEUTER: Council Members Fitzpatrick, Lea, McDaniel, Wishneff, Cutler, Dowe and Mayor Harris-----7.

HEARING OF CITIZENS UPON PUBLIC MATTERS: The Mayor advised that Council sets this time as a priority for citizens to be heard and matters requiring referral to the City Manager will be referred immediately for response, recommendation or report to the Council.

HOUSING/AUTHORITY: Mr. Robert N. Richert, 415 Allison Avenue, S. W., spoke in support of the Day Avenue project and commended the Members of Council, the City administration, and the Roanoke Redevelopment and Housing Authority for doing the right thing. He stated that the renovation of houses in the 400 block of Day Avenue represents one of the high points of a 30 year ground laying process that has been carried out by many individuals in the Old Southwest neighborhood.

CITY COUNCIL-DOWNTOWN ROANOKE, INCORPORATED: Ms. Helen E. Davis, 35 Patton Avenue, N. E., requested a written definition of the Central Business District and its boundaries, the date of establishment of the Central Business District, and the date(s) and description of any boundary changes.

She expressed concern that staff briefings are not held in the City Council Chamber and televised on RVT Channel 3.

COMPLAINTS-CITY GOVERNMENT: Mr. Robert E. Gravely 727 29th Street, N. W., spoke with regard to the overall condition of the City of Roanoke. He expressed concern with regard to a pay scale that does not provide sufficient funds for the average City employee to purchase a house in the City of Roanoke, the lack of adequate equipment in fire stations to remove diesel exhaust fumes, and a citizenry that is uninformed about City affairs. He stated that there should be more concern for the wishes of the citizens of Roanoke.

CITY MANAGER COMMENTS: NONE.

At 4:45 p.m., the Mayor declared the Council meeting in recess for one Closed Session in the Council's Conference Room.

At 5:25 p.m., the Council meeting reconvened in the City Council Chamber, with all Members of the Council in attendance, except Council Member Lea, Mayor Harris presiding.

COUNCIL: With respect to the Closed Meeting just concluded, Council Member McDaniel moved that each Member of City Council certify to the best of his or her knowledge that: (1) only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act; and (2) only such public business matters as were identified in any motion by which any Closed Meeting was convened were heard, discussed or considered by City Council. The motion was seconded by Council Member Dowe and adopted by the following vote:

AYES: Council Members Fitzpatrick, McDaniel, Wishneff, Cutler, Dowe and Mayor Harris-----6.

NAYS: None-----0.

(Council Member Lea was not present when the vote was recorded.)

There being no further business, the Mayor declared the Council meeting adjourned at 5:30 p.m.

A P P R O V E D

ATTEST:

Mary F. Parker
City Clerk

C. Nelson Harris
Mayor
